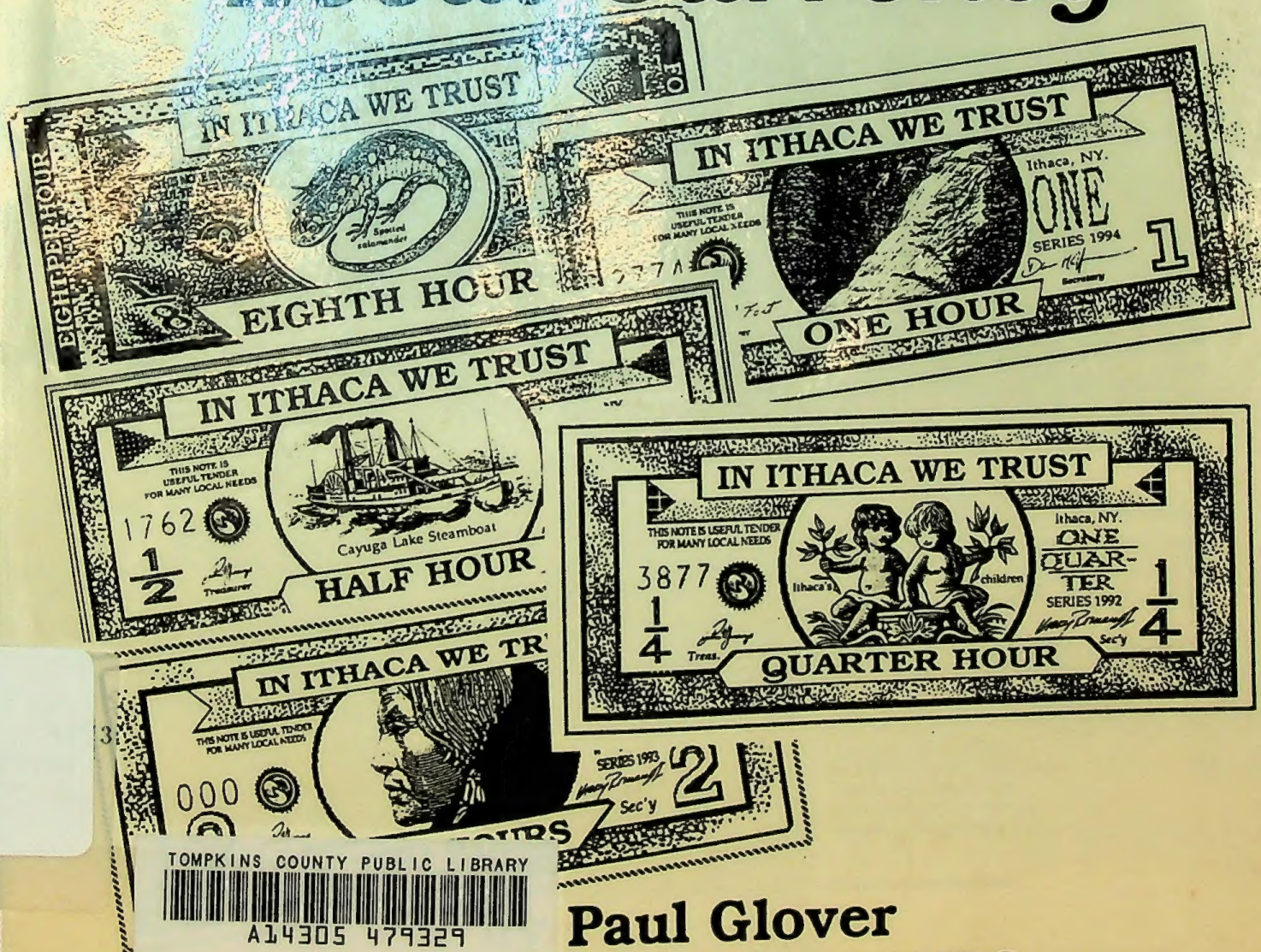


# Hometown Money:

*How to Enrich  
Your Community with  
Local Currency*



**Paul Glover**

*founder of Ithaca HOURS*



## Community scrip movement grows worldwide

Paper alternatives to Federal Reserve notes find favor in Ithaca, N.Y.

# Got an Ithaca HOUR? Swap it

Popularity surges  
for alternative  
'money' system

**Regional Scrip**  
*A Tool for Local Job Generation*

City currency welcome when cash is scarce

*"...it feels great to print money."*

## Money Makers

**Turning Community Talent into  
Local Currency**

## The Ultimate Barter

A currency based on  
time-hours is a boon  
to a rural community.  
By Michelle Silver



**T**ough times, it seems, have been with us for years. Many of us have been hit pretty hard. That's why Paul Glover, a resident of Ithaca, New York, decided to do something about it. Two years ago he came up with a supplemental currency called HOURS, and here's how it works. Each HOUR is equivalent to one hour of time, or \$10, which is the local county's average hourly wage. Also available are 1/2

## WORLD/NATION

**Barter plan  
among ideas  
at economic  
conference**

Associated Press

**AMHERST** — Customers of the future might pay for a burger, bookkeeping or bricklaying with alternative printed notes in a barter system, community builders heard Saturday.

# Bartering gaining currency

Hours pump up  
bartering opportunities

**In Ithaca,  
time is  
money**

☐ Bartering network gives women and others a way to use their talents

**Make Your Own Money!**

**Business Outlook '95**

**Ithaca Hours' concept is catching on**

LH 332.4973 Glover  
Glover, Paul.

Hometown money : how to  
enrich your community with  
local currency



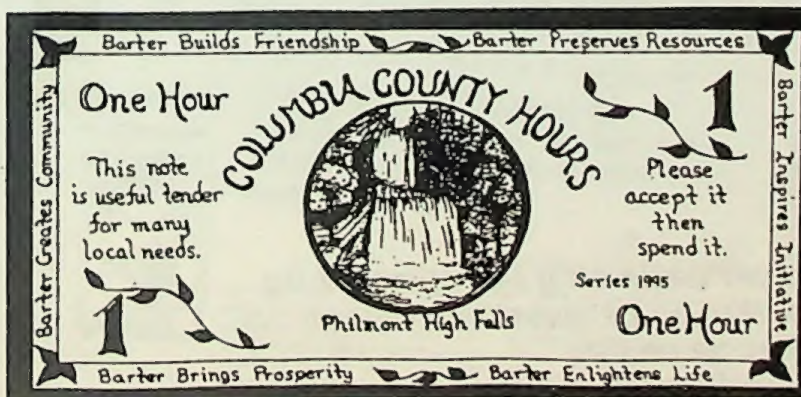
# ***We're making a community while making a living!***

Since 1991, we've added over \$60,000 of spending power to our local economy, so far stimulating about \$2,000,000 of extra trading among local people.

**We've done this by issuing local paper money called HOURS, in 5 denominations, valued at \$10.00/HOUR.**

**HOURS** are becoming a mainstay of local commerce; keeping wealth in the community; promoting local production, local ownership and ecological responsibility, encouraging local pride; raising the minimum wage, and helping people get paid for doing what they like to do.

**Dozens more cities and towns have started local currency based on this book.**



## **You can too!**

**\$25.00**  
or 2.5 Ithaca HOURS

**TOMPKINS COUNTY  
PUBLIC LIBRARY  
101 East Green Street  
Ithaca, NY 14850**

SEP 24 1997



# Hometown Money:

How to Enrich Your Community  
with Local Currency

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Some sections available pre-typeset by email: [hours@lightlink.com](mailto:hours@lightlink.com)

web site: <http://www.publccom.com/web/ithacahour>

First printing August 1995 by *Ithaca Money*

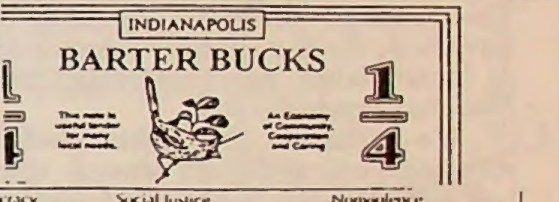
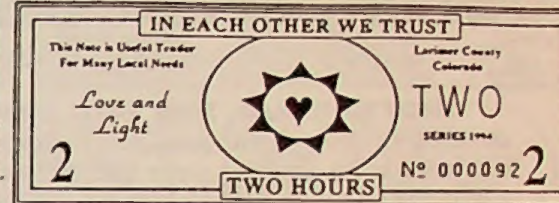
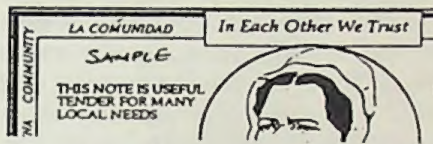
Second printing December 1996 by Greenplanners, Box 6578, Ithaca, NY 14851

ISBN 0-9622911-3-7 • LC # 97-93129



# We've Started a National Movement!

Our Hometown Money Starter Kit has been sent to over 1,000 communities, and at least 40 others now have their own local money.



[OUR FIRST PUBLICITY: OCTOBER 1991]

## Ithaca Money enters the local economy

By JOHN YAUKEY  
Journal Staff

It may not carry the sway that a lower prime rate does.

But the hope is that Ithaca Money, a new bartering system launched locally, will stimulate economic activity by putting people to work for each other free of the traditional and credit cash system.

Instead of money, this sys Glover tem works on 1-hour and 1/2-hour units of labor exchangeable as printed notes.

Thus far, well over a hundred businesses and people have agreed to accept the Ithaca hour in exchange for goods and/or services — a list one of the system's founders, Ithacan Paul Glover, said is growing rapidly in these cash-strapped times.

"This will give people in the community with unused time and

**'This will give people in the community with unused time and talent the opportunity to earn more spending power.'**

—Paul Glover,  
an Ithaca Money founder



talent the opportunity to earn more spending power," he said. "It keeps wealth local by allowing businesses to connect with a broader range of the community."

Glover devised the plan as an alternative to dependence on "monopoly control of food, fuel, housing, finances, landholding, jobs, information and goods."

In short, a creative way of boosting the local GNP without relying on the economic powers over which the average person has little to no control.

The list of participants will be published monthly in a newsletter

called Ithaca Money. In addition to circulating updated lists of participants, Glover wants to report on local economic issues and advocate "boot-strap" development with special attention to ecology.

"We want to show people ecology and the economy can be friends," he said.

Services offered cover everything from artwork to yardwork. David Sayada, an owner of the Cabbage-town Cafe in Collegetown, has already sold several meals for Ithaca hours.

"I really like the idea of trading. See MONEY, 4A



Design by PAUL GLOVER

**NEW MONEY:** Ithaca Money bills (above) are printed on recycled paper, with a color overlay and embossed serial numbers.

(Continued from Page 3A)  
skills," he said. "Say I need a plumber sometime soon."

While Glover hopes the Ithaca Money system will prove a more friendly and independent way of doing business, participants must declare their earnings with the Internal Revenue Service.

"You have to remember these exchanges are subject to taxation at their fair market value," said IRS Spokesman Laurie Riffino. "The two parties have to agree on what that is."

To promote the system as well as learn more about the local economy, Glover is scheduling potluck dinners twice a month for members and anyone interested in joining the system or simply to discuss their economic concerns and ideas.

The next meal is scheduled for 6 p.m. Nov. 26 at the Greater Ithaca Activities Center downtown. Those who attend are asked to bring a dish to pass.

Also, for more information about the barter list write to Ithaca Money, 212 Fayette Street, Ithaca, N.Y. 14850.



# Creating Wealth with Local Currency

by Paul Glover

**Here in Ithaca, New York**, we've begun to gain control of the social and environmental effects of commerce by issuing over \$60,000 of our own local paper money, to over 1,250 participants, since 1991. Thousands of purchases and many new friendships have been made with this cash, and about \$2,000,000 of local trading has been added to the Grassroots National Product.

**We printed our own money** because we watched Federal dollars come to town, shake a few hands, then leave to buy rainforest lumber and fight wars. Ithaca's HOURS, by contrast, stay in our region to help us hire each other. While dollars make us increasingly dependent on multinational corporations and bankers, HOURS reinforce community trading and expand commerce which is more accountable to our concerns for ecology and social justice.

**Here's how it works:** the Ithaca HOUR is Ithaca's \$10.00 bill, because ten dollars per hour is the average of wages/salaries in Tompkins County. These HOUR notes, in five denominations, buy plumbing, carpentry, electrical work, roofing, nursing, chiropractic, child care, car and bike repair, food, firewood, gifts, and thousands of other goods and services. Our credit union accepts them for mortgage and loan fees. People pay rent with HOURS. The best restaurants in town take them, as do movie theaters, bowling alleys, two large locally-owned grocery stores, many garage sales, forty farmer's market vendors, the Chamber of Commerce, and 300 other businesses. Hundreds more have earned and spent HOURS who are not on the HOUR Town list.

**Ithaca's new HOURLY minimum wage** lifts the lowest paid up without knocking down higher wages. For example, several of Ithaca's organic farmers are paying the highest common farm labor wages in the world: \$10.00 of spending power per HOUR. These farmers benefit by the HOUR's loyalty to local agriculture. On the other hand, dentists, massage therapists and lawyers charging more than the \$10.00 average per hour are permitted to collect several HOURS hourly. But we hear increasingly of professional services provided for our equitable wage.

**Everyone who agrees to accept HOURS** is paid one HOUR (\$10.00) or two HOURS (\$20.00) for being listed in our newsletter HOUR Town. Every eight months they may apply to be paid an additional HOUR, as reward for continuing participation. This is how we gradually and carefully increase the per capita supply of our money. Once issued, anyone may earn and spend HOURS, whether signed up or not, and hundreds have done so.

**HOUR Town's 1,500 listings**, rivalling the Yellow Pages, are a portrait of our community's capability, bringing into the marketplace time and skills not employed by the conventional market. Residents are proud of income gained by doing work they enjoy. We encounter each other as fellow Ithacans, rather than as winners and losers scrambling for dollars.

**The Success Stories of 300 participants** published so far testify to the acts of generosity and community that our system prompts. We're making a community while making a living. As we do so, we relieve the social desperation which has led to compulsive shopping and wasted resources.

**At the same time** Ithaca's locally-owned stores, which keep more wealth local, make sales and get spending power they otherwise would not have. And over \$6,000 of local currency has been donated to 25 community organizations so far, by the Barter Potluck, our wide-open governing body.

**As we discover new ways** to provide for each other, we replace dependence on imports. Yet our greater self-reliance, rather than isolating Ithaca, gives us more potential to reach outward with ecological export industry. We can capitalize new businesses with loans of our own cash. HOUR loans are made without interest charges.

**We regard Ithaca's HOURS as real money**, backed by real people, real time, real skills and tools. Dollars, by contrast, are funny money, backed no longer by gold or silver but by less than nothing- \$5 trillion of national debt.

**Ithaca's money honors local features** we respect, like native flowers, powerful waterfalls, crafts, farms and our children. Our commemorative HOUR is the first paper money in the U.S. to honor an African-American.

**Multi-colored HOURS**, some printed on locally-made watermarked cattail (marsh reed) paper, or handmade hemp paper, some with non-xeroxable thermal ink, all with serial numbers, are harder to counterfeit than dollars.

**Local currency is a lot of fun**, and it's legal. HOURS are taxable income when traded for professional goods or services.

**Local currency is also lots of work** and responsibility. This book has been written to share our experience.

It is

## Dedicated

to the Ithacans whose trust in each other has created this money, and to the other communities which are following their example.

August 1995



# Just Ask Anyone! by Glover/Houghton

**AT THE GARAGE SALE...**

DO YOU ACCEPT ITHACA HOURS?

I HEARD OF THEM. WHAT ARE THEY?

THEY'RE LOCAL PAPER MONEY—MONEY WE USE IN THE ITHACA AREA. EACH HOUR IS WORTH AN HOUR OF LABOR OR \$10.00. THERE ARE 5 DENOMINATIONS:

HOW'S IT WORK?

WELL, HOW MUCH IS THAT COFFEE TABLE?

\$3.00.

OKAY, THAT'D BE A QUARTER HOUR—WORTH \$2.50—PLUS 50¢

IF I TAKE IT FROM YOU, WHERE DO I SPEND IT?

HERE'S A COPY OF ITHACA MONEY. IT LISTS THOUSANDS OF GOODS & SERVICES YOU CAN BUY WITH HOURS.

MORE THAN 350 BUSINESSES TAKE HOURS, INCLUDING A BANK, MOVIE THEATERS, A BOWLING ALLEY, HEALTH CLUBS, FARMERS, AND SO ON. MOST OF WHAT YOU NEED IS LISTED THERE. ALL THE DISPLAY ADVERTISERS TAKE HOURS...AND YOU CAN ASK ANYBODY TO TAKE HOURS, LIKE I JUST DID, AND SHOW THEM THIS LIST. YOU CAN KEEP THAT COPY.

WHERE DO THESE HOURS COME FROM?

THEY'RE ISSUED TO PEOPLE WHO SEND IN THE COUPON FROM THE BACK PAGE, TO BE LISTED IN THE PAPER AS BACKING THE MONEY. THEN EVERYBODY IN TOWN CAN USE THEM FOR ANYTHING.

SO WHAT ARE THEY FOR? WHY NOT JUST USE DOLLARS?

THERE ARE PLENTY OF REASONS.

1. MONEY IS A TOOL FOR TRADING. SINCE WE'RE ADDING TO ITHACA'S RELIABLE MONEY SUPPLY—\$57,000 OF HOURS SINCE 1991—MORE PEOPLE CAN TRADE MORE. AND MORE TRADING MEANS MORE JOBS.

2. SINCE AN HOUR = \$10.00, WE'RE RAISING THE HOURLY WAGE. THAT BENEFITS WORKERS, AND BUSINESSES, TOO. PROFESSIONALS MAY ASK FOR MORE THAN ONE HOUR PER HOUR, BUT HOURS REMIND US THAT WEALTH COMES FROM LABOR, AND EVERYONE DESERVES FAIR PAY.

3. WITH BETTER HOURLY INCOME, PEOPLE ARE MORE ABLE TO AFFORD LOCALLY-MADE CRAFTS AND FOOD... LIKE AT THE FARMERS' MARKETS... AND OTHER LOCAL SERVICES. THAT MEANS MORE LOCAL PEOPLE CAN START BUSINESSES DOING THINGS THEY LIKE.

4. TEN PERCENT OF HOURS ARE ISSUED AS GRANTS. 22 COMMUNITY ORGANIZATIONS HAVE GOTTEN HOUR GRANTS SO FAR—LIKE SENIOR CITIZENS, DISPLACED HOMEMAKERS, GIAC, HOMES, INC. AND SO ON. THEY DO GREAT WORK FOR ITHACA, AND THEY NEED ALL KINDS OF MONEY THESE DAYS.

5. BUSINESS LOANS OF HOURS ARE BEING MADE—WITHOUT ANY INTEREST CHARGED!

PAYING INTEREST IS A DRAIN ON THE LOCAL ECONOMY, SLOWING DOWN MANY IMPORTANT PROJECTS. THE INTEREST HOURS EARN IS COMMUNITY INTEREST—THE BENEFIT OF EXTRA JOBS & TRADING MADE WITH HOURS.

6. I'VE BEEN EARNING HOURS FOR SEVERAL YEARS. I GIVE PIANO LESSONS, AND I LIKE HOURS BECAUSE I'VE MET NEW PEOPLE AND GOTTEN EXTRA INCOME. HOURS PROMOTE A FRIENDLIER ECONOMY, KIND OF A MUTUAL ENTERPRISE SYSTEM THAT'S CONTROLLED BY AVERAGE PEOPLE, AND EXPANDS FREEDOM FOR ALL.

...INSTEAD OF THIS FREE-FOR-ALL THAT MAKES A FEW PEOPLE RICHER, AND THE REST OF US POORER!

7. AND LIKE I SAID, HOURS HAVE A BOUNDARY AROUND THEM—ABOUT 20 MILES AROUND ITHACA. THAT KEEPS THEM HERE FOREVER FOR OUR USE.

IT SOUNDS SO GOOD—HOW CAN IT BE LEGAL?

IT'S "LOCAL TENDER," AND IT'S LEGAL. THE IRS JUST WANTS PEOPLE TO COUNT IT AS INCOME.

8. CAN KIDS EARN HOURS?

SURE, EVERYBODY CAN. IN FACT, HOURS ARE THE ONLY MONEY WITH KIDS ON IT!

OKAY, YOU CAN HAVE THAT COFFEE TABLE FOR A QUARTER HOUR. NEED ANYTHING ELSE?

YEAH, WE ACCEPT HOURS.

**HOUR REPORT**

SIGNUP HOURS PAID

1991 1993 1994

5,000 HOURS  
4,000 HOURS  
3,000 HOURS  
2,000 HOURS

1991 1993 1994

Valley Forge  
Lodi  
T-Burg  
Hudson  
Dundell  
Catharine  
Van Clinton  
Spencer  
Groton  
Dryden  
Lansing  
Ithaca  
TOMPKINS COUNTY  
Hamfield  
Hartford  
Richfield  
Vestal

Every issue of *Ithaca Money* explains HOUR trading and philosophy in different forms. We've used cartoons, graphs, photographs, longrange visions, critiques of society, and the messages on the money itself to broaden the number and variety of people who use this money. We're aiming toward full local acceptance of our currency.

**ITHACA WE TRUST**

ONE

IR





## REAL MONEY

Ithaca HOURS are created locally by everyone who advertises their willingness to accept them. HOURS stay in Ithaca. HOURS are real money because they're backed by the real skills and time of 1500 real people, and represent our real productive capacity. Our votes at Barter Potlucks ensure that HOURS are issued on a fair and careful manner.

Each time they're used they weave a self-help network that creates employment in Ithaca and forms export industries. HOURS help us replace unnecessary imports with local food, fuel, clothing, tools, services and culture.

Eventually HOURS can be used independent of dollar amounts, protecting us from inflation.

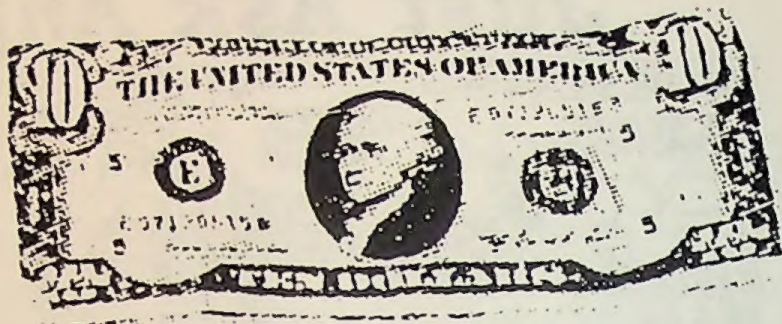
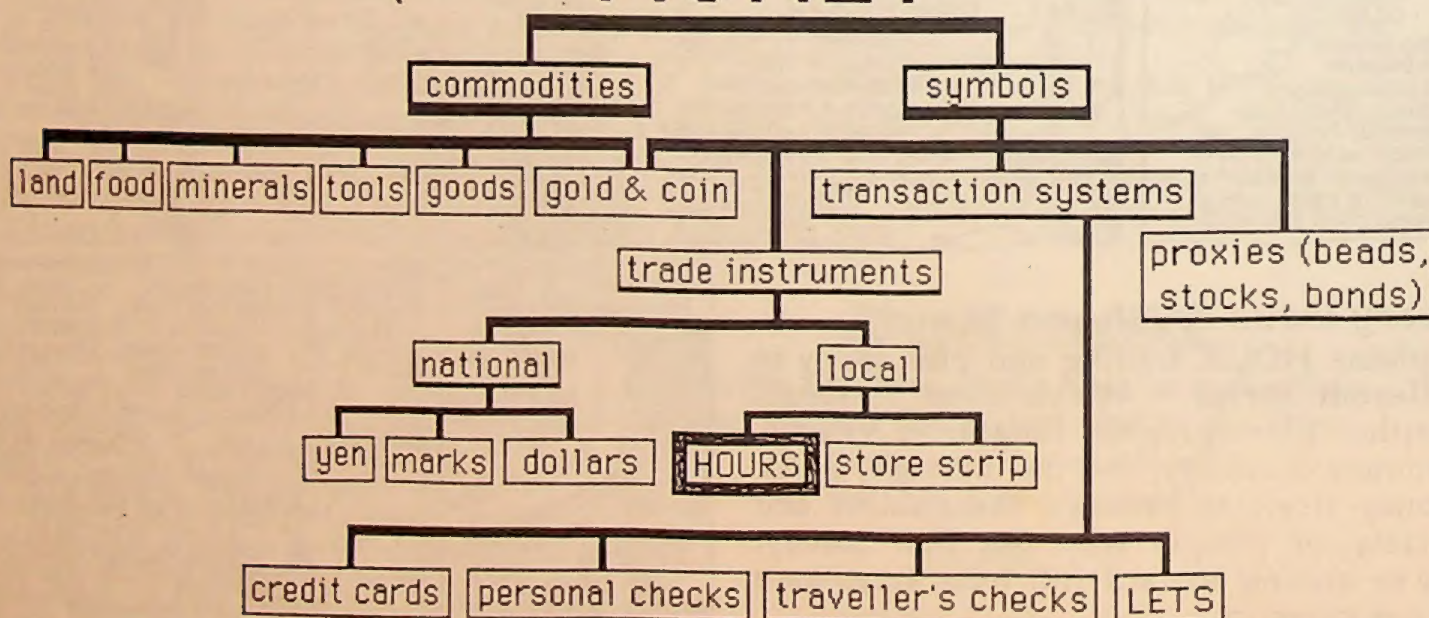


HOURS stay in Ithaca

## The Money Family Tree

Money is anything you trade to get something else. There are many kinds of money. The most basic are edible or wearable, or otherwise directly useful, like tools. The rest are symbolic, having the power to obtain useful things. The following diagram is based on examples by Bill Myers, of Alternatives Federal Credit Union.

# MONEY



## FUNNY MONEY

Dollars come to Ithaca from forces beyond our control, such as multinational corporations, foreign investors and large banks. Dollars visit a while and then leave Ithaca, primarily for food, fuel and car costs. Lately more dollars are leaving than usual. Ithaca HOURS can gradually plug this leak.

The dollar's value has fallen because it is backed by nothing but federal debt (\$5 million million) that can never be repaid. Washington prints \$850,000 of debt EVERY MINUTE just to buy what it can't afford. That's funny money. Payment of interest on this debt now consumes one of every five federal tax dollars. When Uncle Sam can no longer collect enough even to repay debt interest to foreign investors (within ten years), they may cease buying dollars. Then dollars will become as useless as rubles.



# What are HOURS?

HOURS are local paper money, traded within the Ithaca Time Zone (about 20-mile radius around Ithaca).

## What are they worth?

Each HOUR is worth one hour of basic labor or \$10.00.

Half HOUR is worth half hour basic labor or \$5.00, Quarter HOUR = \$2.50.

## How do I spend HOURS?

Everyone listed in *HOUR Town* has agreed to accept Ithaca HOURS. More than 2,000 people have used HOURS, including 350 local businesses (including a bank, movie theatres, grocery stores, plumbers, carpenter, electricians, day care centers, health clubs, restaurants, and so on).

FOOD IS THE LARGEST CATEGORY ON THE LIST.

A website of participating businesses is found on our home page (see cover). Hundreds more people have accepted HOURS without being listed here. Spread 'em around! The more hands they touch, the stronger they become.

## How do I earn HOURS?

1. Send in the coupon from the back page agreeing to accept HOURS and describe work you'll do for HOURS. The system pays you for being listed, because you make HOURS stronger by agreeing to accept them. Payments are made on a per-person basis, regardless of how many listings are offered. We ask that you expect reasonably to live here for at least one year before claiming your HOUR payments, but you can be listed anyway.

2. Send in the coupon again every four issues (eight months) to receive your bonus payment as reward for continuing your listings and for keeping your phone number up to date.

3. Call people listed here and offer to swap skills with them, and offer to accept HOURS.

4. When you apply for work with an HOUR business, mention that you'd accept HOURS for some part of your pay. That gives you an edge.

5. Accept HOURS at your garage sale (signs available at GreenStar).

6. Accept HOURS as loan repayments from friends and family.

7. Accept HOURS as rent from tenants.

8. Accept HOURS at your business.

9. Apply for an HOUR grant for your nonprofit organization.

Send us a letter giving examples of how the group would spend HOURS.

10. Work for an organization which has received an HOUR grant.

11. Apply for an HOUR loan (zero percent interest).

Loan forms are at Autumn Leaves Used Books, 108 The Commons.

## Is special accounting of HOURS required?

No, just count them as though they were dollars.

## What if I need to bank them?

Open an HOUR Safekeeping Account at Alternatives Federal Credit Union. Or buy HOURS from your cash drawer with dollars, deposit the dollars, and spend the HOURS yourself for business or home.

## What if my HOURS get torn up?

Bring the pieces to the HOUR Bank, Autumn Leaves Used Books, 108 The Commons, and swap them for fresh HOURS. Need serial numbers.

## Are HOURS legal?

The IRS, Federal Reserve, Treasury Department, Secret Service and FBI have repeatedly told the media that there is no law against HOURS, as long as HOURS have a dollar equivalent (for paying taxes), as long as they do not look like Federal Reserve Notes, as long as each note has at least \$1.00 value.

Each participant must report taxable HOUR income, at \$10.00 per HOUR.

## Why not just use dollars?

1. Money is a tool for trading, so we're adding to the local supply of money. HOURS are money with a boundary around it, so they stay here forever.

2. Since an HOUR = \$10.00, we're raising the hourly wage.

That benefits workers, and businesses too.

HOURS remind us that wealth comes from labor, and that everyone deserves fair pay.

3. With better hourly income, people are better able to afford locally-made crafts and food—like at the Farmer's Markets and other local services.

That means more local people can start businesses doing things they like.

4. We make grants of HOURS to community organizations.

5. We make HOUR loans without charging interest.

6. We meet new people while trading locally, and expand a friendlier economy, a MUTUAL ENTERPRISE SYSTEM.

7. The U.S. dollar is backed no longer by gold or silver but by a \$5.4 trillion national debt. The dollar binds us to a banking/stock system which could damage Ithaca when it collapses, destroying jobs and savings.

The dollar is constantly depreciating in value, while an HOUR, always 60 minutes, is separable from dollars.

8. They're fun!

## How do I help the HOUR system if I'm already too busy to be listed?

You can buy HOURS with dollars, from participating businesses, and help spread them around. This is a very important contribution! Donations of HOURS and dollars are also welcome.

# Is everyone's HOUR of work worth the same?

We have been taught to think that teachers should be paid less than bankers, that psychiatrist should be paid more than shoestore clerks, that muscle work is valued less than mental work, that male work is valued more than female work that black labor is valued less than white labor, that office labor is valued more than home labor. But we all need each other to make Ithaca function. Everyone's honest hour of labor has the same dignity.

**Most hours of labor are worth ONE HOUR**, but some people have rare skills and might want 1/5, 2, 3, 4, or 5 HOURS for their hour of work. Eventually the Ithaca HOUR list could bring so many skills into the local market that rare skills become less rare, and more affordable.

**The Ithaca HOUR is raising the minimum wage** in the Ithaca Time Zone, without knocking down higher pay. Many local professionals already know that gross differences in hourly pay are socially unhealthy. So they charge on a sliding scale, and barter.

**Even so, a dentist must collect several HOURS** each work hour because the dentist and receptionist and assistant are working together, using equipment and materials which they must pay for with dollars. and someone might want more than an HOUR for one hour of tough ditch-digging. Baby sitters getting \$3.00 per hour

would do better to accept 3/8 HOUR (\$3.75), though tending children is a big responsibility worth perhaps more. So ask for what you think you deserve and need, then give good service.

**America is discovering** that poor people don't fall through the cracks and disappear. They come back with guns. The nation cannot buy enough police and prisons to control the frustration of people who are unable honorably to feed their families. The HOUR is fair pay that repairs society.

# HOUR World

Ithaca HOURS have begun to create a world of stable communities whose citizens issue money that's backed by their labor and tools, and lent without interest charges, in order to: start independent businesses that respect ecology and social justice, to expand friendly trading, to establish an equitable and livable wage, to provide low-cost health care, to build energy-efficient housing, to buy land for preserving wildlife and farms, and to purchase whatever else we need for the wellbeing of our children.



# We Use Ithaca HOURS Because:

Many people don't get enough dollars from regular jobs.  
**HOURS help us hire each other to get what we need.**  
HOURS assert that everybody deserves to be paid at least the average wage in Tompkins County (\$10/hour), regardless of race, education or gender. Society benefits when all of us have the dignity of sufficient income from honest labor.  
**Many businesses don't have enough sales because their clients don't have enough dollars. HOURS provide more money, dedicated to local commerce.**

Grants of HOURS help community organizations which have fewer dollars than usual.

**HOURS promote the production of locally-made goods and the hiring of local services. Use of local talent decreases transportation fuel use.**

HOURS are real money, backed by real people, real time, real tools and talent.

**HOURS stay in Ithaca, increasing our control of the social and environmental effects of commerce.**

HOURS honor things we respect, like Ithaca's natural beauty, our children, and local farms and crafts.

**They're fun!**

## Local Currency and Barter

The Ithaca HOUR is the \$10.00 bill of the Cayuga bioregion, accepted by 600 businesses and individuals in the Ithaca, New York area. Local currencies are real money--backed by real people, real time, skills, goods and services.

HOURS help the under-employed to employ each other, they raise the minimum wage, they help new businesses to start and find new customers for existing businesses, they keep wealth in the community, they decrease dependence on imported capital and goods, they fund community organizations, they increase friendly trade and mutual aid.

To sign up to use HOURS, mail the coupon on the back cover.

## We Are Rich When We Hire Each Other We're paid more than money

When we shop locally we get more control over jobs and prices, more control over food quality, more control over environmental effects and labor conditions. We start new businesses and create more jobs for kids, parents and retirees. We feel prouder for getting paid to use our skills and hobbies. We export more goods, keep wealth local, and set good examples for other cities. We increase friendly trade and can meet new friends.

We are making a community  
while making a living:

## Farm Work

As the Quarter HOUR says, Finger Lakes farms are planting Ithaca's future. Creating fresh clean food for local sale, while enriching soil, is the most essential work being done hereabouts. Without these farms, and their expanding regional market, future generations of Ithacans will be hungrier, and less healthy. All other work is important, but less fundamental.

Fields are being plowed now, and planted soon, so farmers will be hiring. Some of the larger Farmer's Market vendors will be able to pay a full HOUR per hour of your sweat-- the highest farm labor wages in the world. Others will be able to pay just a Half HOUR per hour, which is more than they themselves earn. That's because state and local tax policies, California water policy, federal subsidies, stripmining of land, monocropping and costs of credit allow agribusiness to sell us imported food cheaper.

Whether working for an HOUR or Half HOUR per hour, helping on a farm is still a bargain. You get good exercise in the countryside, you benefit the environment, and you learn where life comes from.

To find out who's hiring with HOURS, call Margaret at 277-4176, or ask at the Farmer's Market. Most farmers will let you bring a tent if you want to stay a few days. Some have extra housing.

## HOURS Support Local Organic Agriculture

The many Ithacans who earn below \$6.00 per hour can't afford local organic food. We're forced to buy poisoned food from California and Mexico. When we earn an HOUR (\$10.00) per hour, which can only be spent locally, we can afford local organic food. Thus, HOURS expand the market for locally-grown.

## Stop Job Layoffs, Use Ithaca HOURS

During the Great Depression many cities had few dollars to pay employees. Therefore, some cities printed their own local money. City employees could spend it at local stores. Anyone who accepted the city's money could use it to pay taxes.

The local money benefitted everybody: city employees got paid instead of fired, local stores got more customers, city government got more sales tax, and taxpayers retained city services without paying higher taxes.

During the present Great Recession, Ithaca and Tompkins County could declare they would accept Ithaca HOURS for tax payment, at the suggested rate of \$10.00 per HOUR, then pay them as wages. Spreading HOURS among all employees (maybe to 5% of total each paycheck) would save the jobs being cut, and increase the proportion of tax dollars re-spent locally. Such wages would be an employee option, upon approval by CSEA. Ithaca HOURS can also be paid in the private sector, saving jobs and encouraging use of a currency dedicated to local commerce.

## Employees May Be Paid With Ithaca HOURS

As long as employees receive at least \$4.25 per hour in dollars, they may agree to accept any fraction of their wage above that in HOURS, according to Danny Knowles, Department of Labor Standards, Binghamton. Such Hour income, paid as a "fringe benefit" (by agreement posted at workplace), is not subject to tax withholding. In some cases it is tax-exempt (IRS Reg. [1322.01] §1.132-1, Federal Tax Reporter '91 v.2: 20,009).

For example, an employee earning \$6.00 per hour might accept 25 cents per hour in Ithaca HOURS. This would mean a total \$9.25 in HOURS for a 37-hour week, or ONE AND A HALF HOURS at the rate of \$6.00 per HOUR. This employee can spend the HOURS for up to \$15.00 value from the barter list, and the employer keeps \$9.25 cash with which to pay rent, utilities, inventory.

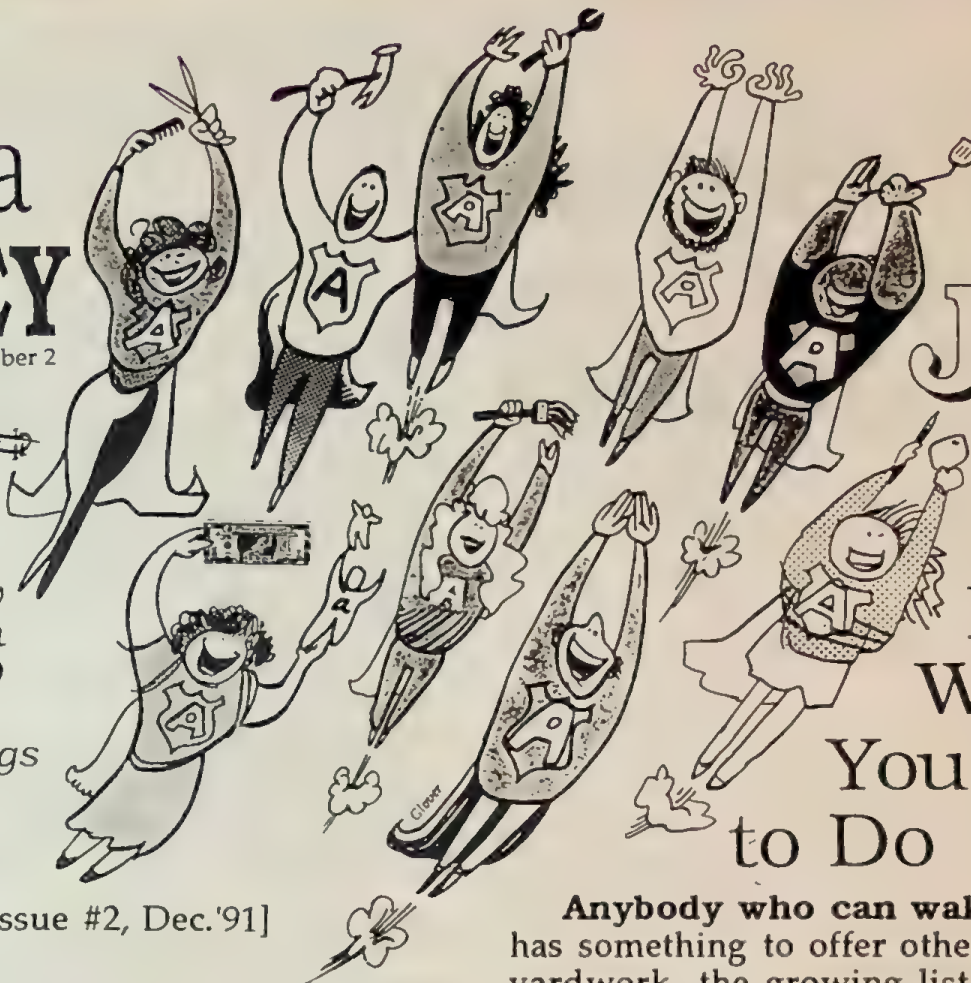


# Ithaca MONEY

December 1991 • Number 2



Now  
with  
**500**  
Job  
Listings



# Make JOBS

for  
Yourself  
Doing  
What  
You Like  
to Do

[from issue #2, Dec.'91]

We and our children have good food, secure housing, proper medical care, education and clothing when we have enough money. Sometimes, despite hard work, we don't have a fair chance to earn the dollars we need. This happens when the people who control money move factories away, or refuse loans for house repairs and new businesses, or pay low wages, or raise taxes and prices too fast. When these things happen, average people can lose jobs, health, homes and hope.

In many American communities, however, average people are taking action to make sure they get creative jobs, healthy environments and enough money. They do this by starting local industries, through community development corporations, to make jobs and necessary products. They do this by spending their money with smaller locally-owned businesses, by keeping wealth local to enrich themselves, and by avoiding environmentally bad products. They do this by banking their money in democratically-owned credit unions. They do this by reducing waste of fuel. And they do this by joining a barter list, and using local money.

Examples of such civic strength elsewhere in the USA are sampled in this paper's column *Action Ideas*. These are plans we can make for Ithaca. *Ithaca Money* is dedicated to expanding our power together.

Anybody who can wake up in the morning has something to offer others. From artwork to yardwork, the growing list inside shows that if you have a little time you can earn spending power. You could start a business on needs like those displayed inside. This month's Barter List [12/91] introduces 150 local people willing to swap for goods and services. Together they provide over 500 job opportunities: they offer and request work that could become regular income for themselves or for you.

When the number of swappers reaches its first 1,000 [list passed 1,000 in 8/95] we will be a notable part of the local economy. We'll have the capacity to combine talents, to start larger export enterprises. That's what this paper is about: promoting a grassroots locally-controlled economy- one that produces goods here, exports more and imports less.

Nobody who lives in the Ithaca area needs to wait for a better job, or wait for any job. Rather than hope that new factories open, rather than study the help-wanted ads, rather than expect that interest rates stay down, Ithacans can hire each other.

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Much of the text in this book is from our barter newspaper *Ithaca Money*, 11/91 to present.

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# Who can benefit from HOURS?

Everyone who needs more spending power and has extra time, including:

- full-time employees who want a second job on their own schedule
- part-time employees
- underemployed workers who seek income from their skill
- the unemployed
- the housebound
- seniors
- kids ages 12 and up
- everyone who wants to develop a part- or full-time business doing what they enjoy.
- business people who want more customers
- those who need to pay debts faster
- all who want to save up dollars for traveling

## How many HOURS have been issued and how are they circulating?

By August 1995, 5,200 HOURS have been issued. Thousands of trades have been made, and hundreds of thousands of dollars value has been added to grassroots economic activity. Many of the most popular stores and services (movies, restaurants, plumbers, food stores, gift shops, massage therapists, etc.) have earned over 100 HOURS each. Therefore, circulation surges when they spend again. The largest single HOUR purchase we know of so far has been a 150-HOUR carpentry job. Otherwise HOURS are being used as part of smaller trades and sales.

## What gives the HOUR its value?

The Ithaca HOUR is backed by real people, real skills, real tools, time and goods. It is a steady base for barter negotiation. Its value increases as the list of traders willing to accept it grows, and as their variety of goods and services grows.

Every note represents a promise to accept HOURS, or represents goods and services traded.

## How do I get Ithaca HOURS?

• You receive your first two Ithaca HOURS as payment for signing up to accept Ithaca HOURS for your goods and/or labor. Everyone starts with the same number of Ithaca HOURS.

Mail the coupon on the back cover, or sign up at one of the bi-monthly BARTER POTLUCKS. Those who sign up or renew at a potluck are paid one HOUR bonus, because it strengthens the list when people meet.

You can earn more HOURS by:

- calling someone on the list who may need what you offer
- agreeing to a request for your labor or goods
- providing goods or services to Ithaca organizations who have received HOUR grants.

## Where can I spend Ithaca HOURS?

The list of most businesses and individuals who accept HOURS is printed in *Ithaca Money*. All display advertisers accept HOURS.

## Can I spend HOURS with someone who is not signed up to barter?

Sure, hundreds of people have accepted HOURS who aren't yet on the list. They would benefit by signing up to accept HOURS, and receive 2 HOURS payment for having their goods and labor listed, but some people may prefer not to be listed.

## What happens if my time or product are so popular that I get more HOURS than I can use?

Spend them as you get them, so they don't pile up. Please keep them moving; let others use them.

You might begin by accepting HOURS as a maximum per purchase, or as a percentage of your price.

We'll also provide you with a personal HOUR shopping list.

## How many dollars is an HOUR worth?

The average hourly wage and salary in Tompkins County is about \$10.00. Therefore, the HOUR is Ithaca's \$10.00 bill. The Half HOUR is our \$5.00 bill. The Quarter HOUR is our \$2.50 note, and Two HOURS our \$20.00 bill.

## Can we use dollars and HOURS together?

Yes. For example, for a clock selling at \$15.00 one might offer ONE HOUR plus \$5.00. For an hour of rare labor one might offer ONE AND ONE HALF HOURS plus \$2.50. And so on.

## What prevents inflation of the HOUR?

There are far more trading opportunities than HOURS issued. The Barter Potluck will watch demand grow and distribute HOURS gradually.

As well, we could declare the Ithaca HOUR a 1991 \$10.00 bill, making it inflation proof.

## How many HOURS were printed?

3,400 ONE HOUR notes and 3,073 HALF HOUR notes have been printed [8/95]. 10,300 Quarter HOURS, 3,000 Eighth HOURS, and 300 Two HOUR notes. That's a total 8,186.5 HOURS, (face value \$81,865). They are disbursed systematically. Each note has a serial number.

## Who prints and issues HOURS?

Decisions to print and issue HOURS are made by those who attend Barter Potlucks. Anyone who advertises their willingness to accept HOURS in *Ithaca Money* may vote. They decide how many HOURS will be sold at \$10.00 each to obtain dollars for printing HOURS. They decide which denominations will be printed. They decide how many HOURS will be paid for new sign-ups, and for bonus payments, grants and loans.

They were conceived and designed by Paul Glover, an Ithaca resident since 1953. The notes are signed by Patrice Jennings, Victoria Romanoff, Marcia Fort, Dan Hoffman, William Gottschalk-Fielding, Karen Blas, Carol Chernikoff.

Our intention is to stimulate job creation, and to expand Ithaca's economy with priority to ecology and social justice.

## What prevents counterfeiting?

HOURS are printed on tinted recycled paper, with color overlays. Red serial numbers are stamped deep and can be felt. The Two HOUR notes have been made of local cattails, with watermark. The 1995 Quarter HOUR has thermal ink on the reverse, which can't be xeroxed.

## Why not just use dollars?

Conventional employment doesn't provide us with enough dollars to do all the trading we need. HOURS represent the productive potential of grassroots enterprise.

As well, HOURS stay in Ithaca, promoting local control of the environmental and social effects of commerce.

## Since the HOUR is \$10.00, won't it sink with the dollar?

We are gradually developing a catalog of HOUR prices which will let the HOUR serve independent of dollar values.

## Is barter income taxable?

Exchanges of non-professional goods and services aren't taxable.

Exchanges of business goods and services are taxable. The "fair market value" of goods and services received is calculated by the barterers.

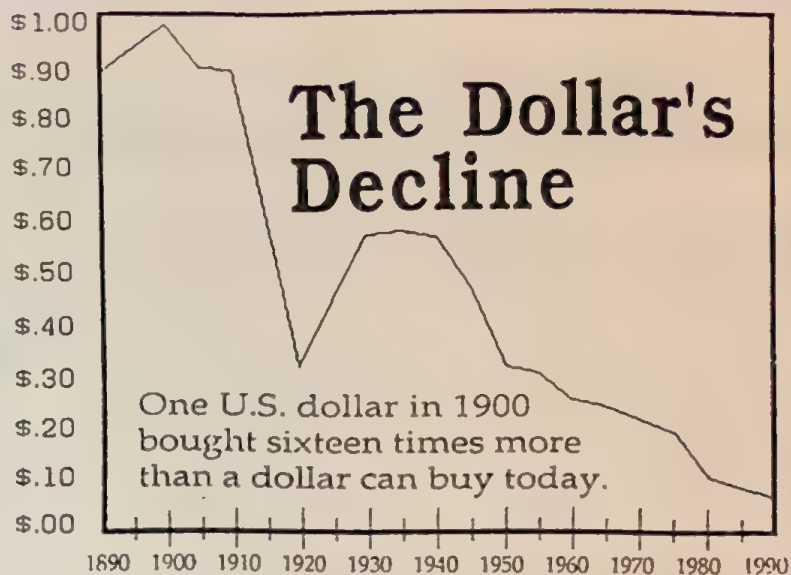
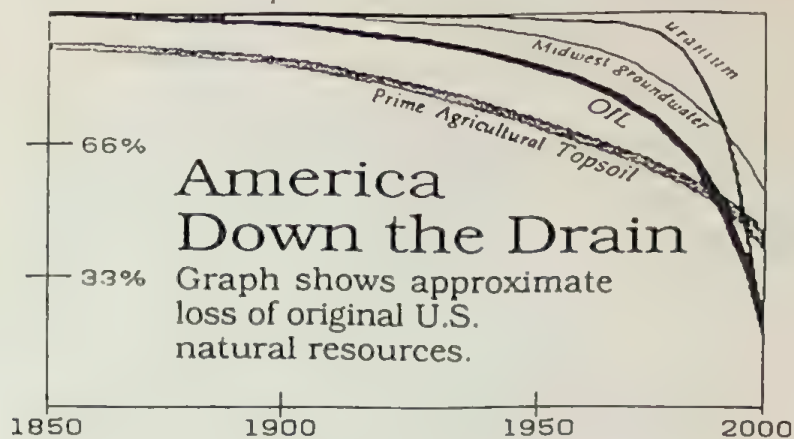
*Ithaca MONEY* does not record transactions, so barter value is reported by barterers.

## Are Ithaca HOURS legal?

They are a form of scrip often issued during money shortages. Disney Dollars, used in Disney-land and Disneyworld, are another recent form of local currency. They are not illegal: the government's concern is tax collection (see Legal Notes)



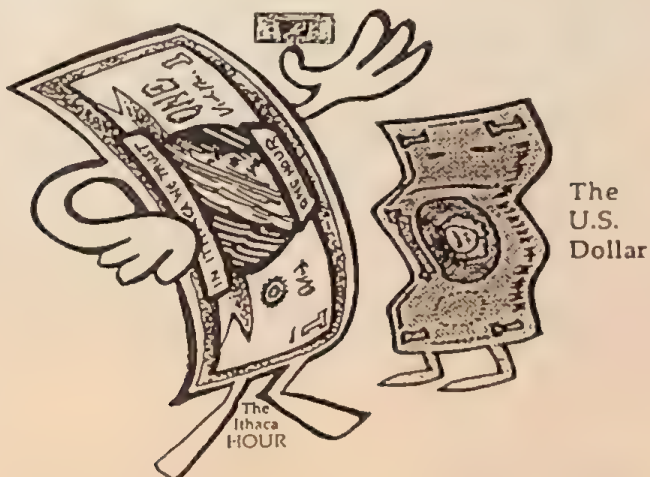
While the dollar declines by resource depletion, inflation, or scarcity, the value of the HOUR, regulated by Ithacans, can become a stable measure of labor value independent of dollar amounts.



## Local Currency Strengthens National Currency

Rather than competing with debased national money, local money is needed to make national money stronger. That's because the vitality of tiny local economies, maximized by local currency, is becoming essential to national job creation. Consider the large lobes of the lungs: without millions of microscopic air sacs moving oxygen to the blood, the lung's lobes become desperate wheezing bagpipes. Healthy organs depend on the efficiency of their smallest parts.

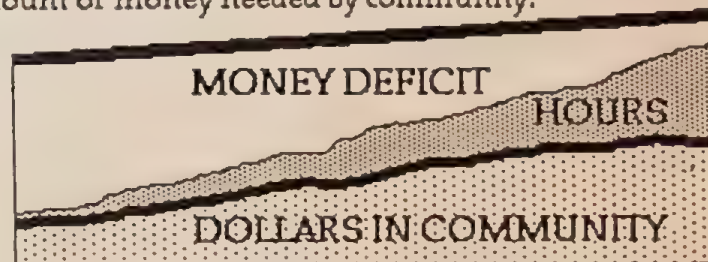
**All national currencies are in debt to nature,** because national economies have depleted the natural resources upon which all business depends. It is therefore the special responsibility of local currencies to do what national currencies, controlled by corporations driven by narrow ideas of profit, do not: stimulate local trade and job creation which consider their effects on Nature, and which replenish it.



## Local Money Confronts Inflation

Local currency, gradually issued, does not cause inflation in local economies, because there is always unmet need in any locality, just as there has been unemployment. Local money allows needs to be met that were not met, since people were depending on scarce dollars. It re-inflates deflated economies. The following diagram shows local currency gradually closing the gap between the amount of money needed in a community, and the money actually available. Were local currency to surpass the amount needed locally, the supply would need to be reduced. This can be done by establishing a buy-back dollar fund.

Amount of money needed by community:



We'd sooner anticipate hyperinflation of dollars, though, as U.S. investment and jobs are shifted overseas, as interest payments on the U.S. federal debt overwhelm federal income, and as global currency markets reflect preferences for other currencies.

**Were this to happen,** HOURS could respond in three ways. **ONE:** We could raise the dollar value of the HOUR, and chase the dollar as it shrinks in value. **TWO:** We could declare the HOUR a 1992 \$10 bill. This means that the HOUR would buy local labor and goods at 1992 prices forever. Restaurants, theaters, food vendors, carpenters, tutors, artists, massage therapists and the rest of us would discount all prices by the total inflation since 1992, when paid with HOURS. This percentage would be published in the barter directory. **THREE:** All prices could be recalculated in HOUR amounts, as agreed by negotiations between all sectors of the local economy. This bolder approach, making the HOUR solid money, independent of dollars (except for tax-paying), could succeed to the extent a community replaces imports of food, fuel, metals, clothes and building materials with local/regional production and recycling.



# The Need for Local Currencies

by Robert Swann, E.F. Schumacher Society

Here are excerpts from Swann's chapter in *Putting Power in Its Place*, edited by Christopher and Judith Plant (New Society Publishers, 1992). Reprinted with permission.

The opportunity now exists to develop a better money system than the one we use at present. We need a system which will, by its nature, promote and enhance small scale institutions, including small businesses, cooperatives, small communities and local towns. We need a system that will support and encourage the local supply of local business, and that will allow farmers to make a living producing food for local consumption. In short, a regionally-issued currency is essential to creating a diversified, stable, regional economy made up of many interrelating small businesses.

Every region has its own distinct character that makes it different in very critical ways from other bioregions. It has its own resources, both natural and human, particular to the kind of land there and the people who live on it. Therefore each bioregion has its own unique productive capacity. Since the creation of money, in order to avoid inflation or deflation, should increase or decrease with the amount of production at any time, it is essential that the supply is created at the local or regional level by institutions which are focused on their own regions.

Decentralization and diversity [of money] have the benefit of preventing large-scale failure. This is as true in banking as it is in the natural world. For example, take seeds. If many different strains of corn are used by different farmers, some seeds will produce more than others; but if a disease hits the crop, some strains will resist and the total effect will not be disastrous. However, if all farmers have shifted to a new hybrid seed and a blight hits this type of seed, the result can be widespread disaster.

Many people assume that our centralized banking system goes back into very early history. In fact, in the U.S. at least, it is a relatively recent development; money institutions were small scale and decentralized through most of history. They consisted of either direct exchange of goods by barter or, later, exchange with metals (gold or silver) of intrinsic value. Banking as a system grew slowly out of the medieval period when goldsmiths became, first, the caretakers of gold and, later, became bankers by using the gold as a reserve for redemption.

The banking system that grew out of the medieval period was, by and large, very diversified, with many banks issuing their own currencies. This condition existed right down to the present century. Centralized banking had grown hand in hand with the industrialization of the country in the 19th century. As industrialization grew, the need for larger amounts of money to finance the large industries with their "economies of scale" grew also. Huge sums of money also meant the need for big banks.

[Today] a very large part of our lives is controlled or governed by a system over which we have little or no control and do not understand. To a large extent we have accepted unconsciously a system of money and banking and we are asleep in our relationship to it. Perhaps no one fully understands this system— even many of the bankers who use it— but it is an important factor in determining what happens in our lives, for it determines who gets credit to start what kind of business where.

Local currencies could play a critical role throughout the bulk of America in the development of stable, diversified regional economies now bypassed by our centralized banking system. In fact, if I am right about runaway inflation coming in the future— or, as some economists are predicting, a serious depression— such currencies will again become necessities, perhaps sooner than we would think.

# Why HOURS Are ECOLOGY Money

By Sean Kelly

**Greenbacks. The green stuff. Green gold.** Rolling in the green. A lot of expressions about money have the word green in them. More often than not however, the most important green— the environment — is forgotten.

**Money is the tool we use to measure** the value of a product or service. But the toll our modern economy takes on the environment is rarely reflected in the true price of something. For example, is the air pollution that results from transporting a product halfway around the world factored into the price we pay?

**So would a new type of money** be any better? Although alternative currencies such as Ithaca Hours can increase the local money supply, guarantee that this new money stay localized and create jobs, do they have the potential to be truly green dollars?

**While creating a whole new system** of pricing is probably beyond the scope of local currencies, there are many reasons why Ithaca HOURS— even though they're gold, orange and blue— can be green dollars.

**1. Ithaca HOURS encourage** the buying of locally-produced goods. Products that originate at home do not have to be shipped from afar, which cuts down pollution from transportation. In the case of food, chemical preservatives are not needed to keep the produce "fresh" for the long haul.

**2. If the product is processed** and refined from local materials, we get more "value-added" from our natural resources. This means we do not have to exploit as many natural resources to receive the same value.

**3. Ithaca HOURS are earned, spent** and re-invested here in our community, so it's easier to see what your money is up to. You can better determine if a product is being made in an environmentally-sound way, or if the service contributes to a healthy environment.

**4. Ithaca HOURS also help build** direct economic relationships between producer and customer. If you know the person growing your food, making the materials for your new house, etc., you stand a greater chance of affecting that person's environmental standards.

**5. If more of our wealth stays here** to strengthen locally-owned or controlled businesses, our community as a whole becomes more self-reliant. And with self-reliance comes the power to make the decisions affecting our future, including the possibility of changing economic patterns to build sustainability.

**These days money-- and jobs--** move around at the touch of a button. Local communities can't control the forces affecting them. One-industry towns or communities where the main employers live (and make decisions from) thousands of miles away are vulnerable to economic blackmail. "If you don't relax this environmental standard which is affecting our profit, we will just move somewhere else." While citizens may say "Not in my backyard", many large companies are saying "Not in My Profit Margin!"

**The president of auto-parts manufacturer** Magna International once said, "Money has no heart, no soul, no conscience, no homeland. It knows only profit." It's time for money to have a home, and a heart— a green heart. After all, money is just paper. Its value comes from nature's bank— the trees, the oceans, the air, the soil— home to all living things.

(from *Maritime Money*, Halifax, Nova Scotia)



# Success Stories

These are an important part of promoting HOUR use. They are the voices of participants describing how they earn and spend HOURS, and what HOURS mean:

## Hi! Finance

Here are some of the bigshots of the Ithaca Time Zone, the people whose time and talents start new businesses, who do the basic work to maintain children, community or homes.

We'll be spotlighting the HOUR traders who don't yet have retail outlets, and inviting you to shop with them until they do.

- to their personal income
- to pride in work
- to meeting people
- to sense of community
- for local control of economy
- for the environment
- for fair pay & social justice

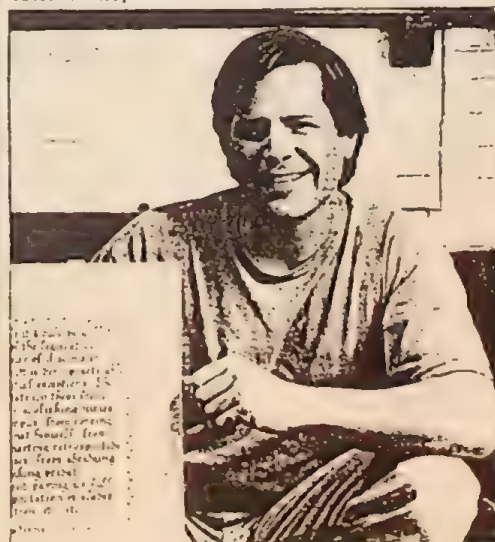


**Terri Ricklefs** (with Sara) makes beautiful handpainted shirts, sweats, and personalized outfits. "HOURS are good for new businesses like mine. They encourage people who can't afford luxury items to patronize businesses that wouldn't get customers."



**Andy Ruina** (holding Annemieke) accepts donations of HOURS for used bikes at Recycles Ithaca's Bicycles. The group has used HOURS for food for workers, bike parts and lumber. "HOURS are fun!"

**Scott Wettlaufer** of Scribecraft Paper in Newfield has earned HOURS by creating watermarked cattail paper for the Two HOUR note, and by calligraphing wedding invitations. He's used them to buy food, and garden manure. "Trading in Ithaca HOURS for my services and products is a great way for me to meet and support people within our community."



## HOUR Town

**Isabel** (below) does hypnotherapy, and offers bed & breakfast, videotaping and word processing. Her HOURS go mainly for food and entertainment. "HOURS are a wonderful alternative to the present money system, which allows a few people to hoard lots of money, while most people struggle."



**Jade's** father earns HOURS which have saved the life of her pet rabbit, Riley. "The rabbit was slowly fading, and death was a possibility," says Jade's mother Kelli. "Not being able to afford to pay dollars, we turned to the Ithaca Money list, whose veterinarian took HOURS and helped us to help our rabbit get back to the crazy energetic animal she is. Ithaca Money is great."



**Neil and Sarah** (with Clair) raise organic strawberries and vegetables. "We collect quite a few HOURS at the Farmer's Market and then spend them all for spring planting. Thanks to HOURS and hard-working folks, we put in 20,000 strawberry plants, by horse and hand."



## Expanding Personal Income

**Charlie** makes drums. "HOURS are going great for me. They've opened up a lot of things I wouldn't have been able to afford. They let my wife and I eat out more often, which is good for us as parents—we get more time together and don't have to deal with cooking. And we were able to afford a potted Christmas tree rather than a cut one, which is better for the environment."

**Nancy** offers child care and GreenStar working member credit. She has bought books, an astrology reading, and "HOURS fed my family last summer. For a while we had no other cash."

**Bill and Cris**, who sell vegetables and handmade baskets at the Farmer's Market, feel that HOURS serve "to complete a big circle in our community, and have increased our sales. We've also gotten landscaping jobs we otherwise wouldn't have seen." They've purchased "luxury items we couldn't have bought before" and basic services like auto repair, "just by showing them the barter newsletter." Their landlady takes part of rent in HOURS.

**Bill's** an architect who says, "HOURS changed my life. Last winter I had no jobs, was out of money and was scared. Then I got two jobs through *Ithaca Money* which kept food on the table and turned out to be steady work. One of these people has become a good friend. Now I've got a third major HOUR job, very creative and exciting." He adds that "there's less stress associated with HOURS, they're fun to spend."

**Josh** hired a computer consultant to make labels for his new tincture business. "If it hadn't been for the barter list I wouldn't have been able to find somebody to tutor me on the computer. I never learned a program so quickly in my life." The tutor now accepts tinctures as trade for more of her help.

**Jon and Mary** have sold potted plants at the Farmer's Market. They've spent HOURS for pottery, a belt, a cutting board, restaurant meals, bread, wedding presents, and intend to hire people to build their greenhouse. Their plant sales increased: "We can buy things that we normally wouldn't be able to afford." They think barter money improves barter: "The HOUR currency is a better receipt for labor to be done than a verbal agreement."

## Ithaca MONEY

Feb-Mar '95 • #21

change listings: 277-4176

editor, ads: 273-8025



**Elson** earns HOURS doing heating and air conditioning consulting. "Comfort requirements haven't changed since 1972, when I retired, so I've been able to help several people. I find this HOUR system very enjoyable. It takes me back 20 years and makes me feel constructive again."

"My wife and I spend HOURS at the Farmer's Market, where we browse and chat with old friends. We dine at restaurants, buy apples for mother's homemade apple pie and applesauce. I had my hearing aid repaired and get periodic massages for my failing back. Also I was very pleased last winter to hire two girls with HOURS to shovel heavy snow. They used the HOURS for rent."

**Jim** (at left working under a sink) has swapped plumbing for drywalling, and spent HOURS for chimney repair and food. "With the *Ithaca Money* list we can depend on each other as a community, rather than on faceless corporations beyond our control."



**Mary** provides child care and has bought bread, produce, cotton bra and legal services. "It's going great. Barter money has allowed me to get goods and services otherwise beyond my means. HOURS make barter easier, and I'm more aware of money staying in the community. I pull out my HOURS to show friends from elsewhere."

**Debbie** sells used books and has spent HOURS for a watch, massage and computer time. "*Ithaca Money* enables people to rely on each other and creates a sense of community. It's opened up a lot of avenues and been a real guide for me. I've talked with others who've said they've bought things they needed and wanted that they couldn't have spent dollars to get. The HOUR's potential is unlimited. The national economy is not going to get better soon."

**Rick** has gotten several painting jobs from the list. His HOURS have bought car repair and piano lessons. His partner Lynn says, "It's helped us a lot. We got things we couldn't afford otherwise. This will be good for Ithaca's economy as it builds up."

**Mary** earns HOURS by landscaping and plant sales. "We buy things we wouldn't ordinarily pay dollars for. When my son got straight A's we went to a fancy restaurant for dinner. I look forward to when we can pay our utility bills with HOURS." She adds, "I've had people call to order flowers for next summer. I'm delighted."

**Susie** sells seitan for HOURS and has bought massage, bookkeeping, sales help, advertisements, gifts and more. "Lots of people who were not able to buy things before are more able now, and they can tap into their abilities. That's my favorite part: that as people start talking about what to offer, they remember talents and gifts that they have."

**Susan** is now fully employed with three regular child care jobs gotten through *Ithaca Money*. The HOURS earned as part pay buy food and other goods. She swaps for chiropractic care. "I trust a person more who has Ithaca HOURS in their wallet. It means they're invested in Ithaca, that they're willing to be open-minded about the value of labor."

**Valorie** has gotten HOURS by doing fiber dyeing (natural and nontoxic), and by selling an answering machine. She's purchased electrical work and "a beautiful necklace. People remark on it all the time, I tell them I bought it for HOURS."

As a coordinator of Literacy Volunteers of Tompkins County, she's used an HOUR grant for rubber stamps, grantwriting assistance and newsletter design. "HOURS helped us to get things we couldn't otherwise afford, because of major cutbacks in funding this year. This is a critical time for Literacy Volunteers, and we sure would welcome more Ithaca HOURS."

**Neva** just finished "a lucrative house portrait, and I expect I'll be kept busy by this person." She does pen & ink illustration (see her display ad this issue), and says, "this is a fantastic system for those of us with little spending power. I've been grateful to be able to find services otherwise difficult to get."

**Bill** spends HOURS earned landscaping for banking, food and entertainment. "I like the idea that pretty much we're all fairly equal. Everybody has something to offer and their time should be valued. When pay becomes too unequal it creates a lot of poverty, which creates anger and resentment, which creates riots. Things seem to be picking up; more and more people are accepting the system."





## ***More Success Stories:***





# Enriching the Community

Although we're told that only experts can understand economics, we find that the average person has a good sense of the subject, especially on the local level. Policy regarding our local currency is made by Barter Potluck participants, like these folks, and as their stories show, there's a lot of common sense leading us.

**Annabel** offers knitting lessons, mens' yogi underwear, and reflexology. She has bought food, plumbing and "little luxuries." She took a Hometown Money Starter Kit to Khabarovsk in Russia, near China. "I explained HOURS to villagers. They were passing around the HOURS and looking at the listings and nodding as my words were translated. They already do quite a bit of barter, and need to provide for each other the services the government used to, so they were interested. And they're looking at local cooperatives as an alternative to both socialism and capitalism.

"HOURS are especially great with services, which are inherently local, and they stimulate local production of goods. We can't trust the dollar, now that it's so dependent on what happens in the sinking world economy."

**Dan** sells deli goods and his HOURS have bought baby supplies, Christmas presents, vegetables, chiropractic care, and more. He and his wife gave HOURS as a wedding present. "This is a good idea. All small businesses, especially grocers, see big businesses take their customers away by specialty marketing. HOURS are another way to remind shoppers to shop with local businesses, where they get more personal service and attention to detail.

"With this system, money doesn't head north, south, east or west. It creates our own mini-economy."

**Margaret** has received HOURS as rent payment, for flea control and for phone calling. Her long list of purchases includes food, movies, engineering consulting, books and gifts. "I'd have to earn them four times faster to get all the things I'd like to. She notes, "Because HOURS can be used both for goods and services which are not always part of the formal economy and for retail and professional transactions, the local economy gets a boost every time HOURS are earned. That's what any money is all about— facilitating exchanges among people."

**Laura's** pottery has earned HOURS that have bought food, and gardening consultation. "I like not having to be tied to the larger monetary system, that's owned by multinational corporations, which serves rich people rather than normal people. HOURS strengthen awareness of our community's skills and give us more control of the economy."

**Dave** has provided sailing lessons, teaches economics, and offers Melaleuca products. "Bartering and HOURS have several roles: bringing cottage industries to the marketplace that are outside the dollar market, and breaking free of total dependence on the dollar."

He explains that "on the one hand trade with other areas allows us to get what we can't produce here, but on the other hand total unfettered trade leads to job loss when factories close down.

"I like the idea of balance: buying local increases jobs and earning capacity here, some of which can be used to import and export. And if we reduce our dependence on export industries from 75% to 40%, then we increase the core of employment which provides for local needs. That's more stable and more resilient than depending so heavily on Cornell."

"**Mary** earned about 35 HOURS selling organic produce at the Farmer's Market. She bought roofing and computer programming. She'd like us to develop toward a non-monetary society like that described in Sonia Johnson's book Wildfire. "Money is a tool of patriarchy that dissociates us from one another and so contributes to the spiritual void." She says HOURS are "a starting point. They are better than federal currency by being local, and therefore seem safe."

**Beth and Richard** sell goat cheese, and have bought vegetables and baked goods. "I enjoy barter," says Richard. "HOURS cause people to consider whether they could get something locally, and we need as much action as we can get locally, to produce jobs and economic vitality."

**Jim** says that "During times of economic disparity, when big business gets big tax breaks and 'adventure' capitalists take money abroad, it's good to keep as much money in our community as we can. Local currency forces us to face the issue: why don't we have more local financing for local mortgages, and how much money does Cornell spend outside of Ithaca that they could spend here for food and other needs."

**Elizabeth** accepted 50 HOURS (\$500) as part repayment of a loan she had made to GreenStar. "I've used HOURS for groceries, gifts, video rentals, movies, meals, books, pottery, chiropractic care, shoe repair, xerox copies, computer printer ribbons, a wrist rest, faxes, haircuts, pizza, theatre tickets, dance lessons and yoga lessons. I repaid a loan I owed with HOURS, too.

"HOURS are running along just fine," she says. "We have a growing Ithaca HOUR community. We can see and feel that we're part of doing this. I don't feel that way about the national economy, which is so dependent on centralized, impersonal government and business that we've become alienated. HOURS show us that we don't need somebody far away to allow us to do things; we have the power here."

**Richie** has earned and spent many Days of HOURS received from video rentals. They've gone to shoe repair, books, housesitting, lawn mowing, hauling and other goods and services. "HOURS have become the driving force behind who I patronize at the Farmer's Market: I look for the tell-tale yellow sign that says 'We Accept Ithaca HOURS.'" A co-founder of the Ithaca Community Self-Reliance Center (1977-1988), Richie has long promoted shopping at locally-owned stores. "This keeps money in the community and that means economic prosperity. Why shop at Wegmans, which takes most profits out of town, when you can buy from so many locally-owned stores?" And, of course, "Why rent videos at Wegmans when you can rent from Video Ithaca and Collegetown Videos?"

**Barbara** sells and repairs shoes. She's spent HOURS for gifts and advertisements. "This is really starting to take off. I wouldn't have bought gifts where I did, except that I had HOURS. This money makes everybody more aware of what's available in the community. So it helps community development by keeping money local."



Ramsey has sold bagels for HOURS at Ithaca Bakery and bought landscaping, meals, printing, air conditioning consulting, eco-goods, eyeglasses, insulating window shades and groceries. "Right now I've spent all my HOURS. To get them faster, I've decided to accept a Quarter HOUR on weekdays for anything, as part purchase of \$10 or more. And we'll take them at CTB Appetizers, too." HOURS are a regular part of his business income: "We count HOURS like taxable cash income and expense. There's a separate HOUR account in the computer. HOURS we spend personally we buy with dollars."

He adds, "HOURS keep people in our community employed better than dollars that leave the community. Dollars that go to large corporations do not really trickle back down, they concentrate capital, making the rich richer and the poor poorer. We see America's inner cities becoming Third World countries as a result. What's better about HOURS is that since you can't bank them, you have to spend them to benefit, so you don't get that concentration of capital."

Bill taches jitterbug and swing dance for HOURS and spends them mainly for food and other small items. "HOURS make people think more about what money is. We think of money as an end in itself, but it's more of an exchange of energy and resources. Because HOURS are spent in a small trading area you really can see where they come from and where they go to. Dollars come and go so many different ways that their social meaning gets lost. We're making a big cultural change with HOURS, back to the community meaning of money, and we should be patient as it develops."

## Ask Anybody, "Do you accept Ithaca HOURS?" Then show the list.

**Amy** sells food for HOURS and has paid a roofer and a computer programmer. "The skills listings help us support local people. I tend to rely on a friends network rather than a money system. I'd like us to develop a system of abundance, sharing and cooperation like that in the books *Dreaming the Dark* and *Spiral Dance* by Starfire.

**William** earns HOURS by restaurant work. "Local currency is a fantastic idea. The more we use HOURS the easier it gets. I like supporting local farmers and workers. We've created a national identity, and in the future it will be just as important to create local identities. It's economically and socially beneficial."

**Tony** sells stained glass at the Farmer's Market, and bought a meal with HOURS from his first sale. "I wish I could deal a lot more with HOURS: I'm going to put HOURS in any advertising I do. I even have an employee who will take them." He adds, "More people are asking about bartering for my work than usual. And there's tremendous interest in my classes."

Of the national economy he says, "There are lots of jobs leaving the country that are never coming back. New jobs will mainly come from little companies like mine, with two employees, not from IBM. That means a healthier economy - not all our eggs in one basket. And local businesses circulate money within the community better. Wal-Mart's profits go to Arkansas."

**Alex** earned many HOURS renting videos, and spent them for meals, food, computer services and "I have also had quite good success striking my own deals to pay people with Ithaca HOURS, even if they're not listed in Ithaca Money. As the number of people and businesses that accept HOURS has grown, I haven't had any trouble spending them."

Philosophically, I have agreed that it is good for the local economy for money (in the form of Ithaca HOURS) to circulate locally, stimulating local economic activity, rather than heading out of town as so often happens with regular USA currency that gets spent here. At the store, we took HOURS in the same way that we chose to accept four types of credit cards. It gave our customers yet another method by which to spend their money with us!"

**Jennifer** accepted HOURS for repayment of a loan, though she's not on the list. "It's a good idea to keep money local rather than spending it elsewhere. I can imagine getting to the time when we wouldn't have to ask people if they took HOURS-- we'd have an understanding that HOURS were a common part of life in Ithaca."

**Rabbi Eli** offers Hebrew lessons and Bar/Bat Mitzvah lessons. "The barter list has been very useful. Recently I traded lessons for violin repair." He says that "HOURS are a very creative social support network, a good model for preserving kindness and compassion in the economy. They avoid the mass business focus and remind us that we're serving other human beings."

**Daniel** is director of CUSLAR (Cornell U.S.- Latin American Relations) which accepts HOURS for concerts, advertising in the CUSLAR Newsletter, at their Ithaca Festival pizza booth, and at rummage sales. They spend them for musicians to perform at their concerts, and for office purposes. "HOUR money has happily exceeded all my expectations. It's bound to grow-- it's an idea whose time has come. Regular money is dehumanizing and anti-community, sending wealth to big banks. With HOURS, we're bound together, showing how unique our town is and supporting each other. The wealth of the community stays here, more wealth is controlled locally, and that gives more democratic control over local issues."

This concept could be very valuable in a place like Cuba. Without barter, Cuba wouldn't exist today. Their central government is now willing to try anything. They're not so sure they have the answers, and are letting people analyze their own problems and come up with solutions."

**David** offers piano lessons for HOURS, especially improvisation, and distributes the Alternatives Federal Credit Union newsletter on his bicycle. He's bought massage and food. "Our economy is a runaway greed cyclone. Everybody is out to get as much as they can for doing as little as possible, instead of doing as much as we can and know we'll be rewarded for it." He rides his bicycle because "cars are one of the main ways that capital leaves our community, for car parts and fuel, but the pollution stays here. We should gradually improve public transit and bikeways." He adds, "HOURS stay in the community, producing a net gain."

**Bill** sells IBM-compatible computers and computer accessories for HOURS. "Where else but Ithaca can you swap chopping wood for computers?" He likes local trading because it strengthens the community: "Everybody here has a lot of capabilities and the barter list is a good way to wake up to it. Why should we depend on outside sources for things we could do for each other? As Benjamin Franklin said, 'We must all hang together, or most assuredly we shall all hang separately.'"



*We're all in the same boat*



illustration by Susan Simon

## The Gift of Community

The seasons of parties and presents offer essential gifts that can't be bought in stores: family, friendship, community and beauty. At their best, holidays renew our humanity and make us feel welcome on earth. They are opportunities to relax together, trading gifts which connect us.

Ithaca's bartering process promotes gift-giving that strengthens local businesses, and stimulates new employment that encourages creativity and job satisfaction. Systematic barter gradually develops a mutual trading system that can independently finance whatever community projects we may need. Barter expands commerce that respects the planet.

But to the extent that our holidays have become compulsory shopping contests, however, they harm us instead. They feed an economy which thrives by tearing the earth apart, filling landfills. They waste wealth.

Genuine giving asks questions like these:

- What does the gift teach and encourage?
- Is the gift made with craft and pride?
- Is the gift sold by a locally-owned, community-

minded shop? Are employees fairly paid?

- Will purchase enrich our region's mutual trade, or deplete us by exporting hard-earned money?
- What raw materials is the gift made of? Is it durable and recyclable? Will the gift remain useful or soon be discarded? Does its manufacture respect animals, plants, water and soil?

Responsible gift-sharing heals and satisfies. It serves human desires older than Christmas, and as creative as the first new year.

### Shop the Ithaca Catalog

Thousands of gifts-- delicious home-baked food, fabulous arts and crafts, over 300 health, home, entertainment and other services-- are found in *Ithaca Money*. All are available for swaps and/or Ithaca HOURS. Most people on the HOUR list are likely willing to create a gift certificate. Call us up and give us a try. Support each other and the businesses which participate on this list: give the gift of community.

## We're paid more than money

When we shop locally we get more control over jobs and prices, more control over food quality, more control over environmental effects and labor conditions. We start new businesses and create more jobs for kids, parents and retirees. We feel prouder of getting paid to use our skills and hobbies. We export more goods, keep wealth local, and set good examples for other cities. We increase friendly trade and can meet new friends.



# Enriching Community Spirit

**Anne Marie** sells home-baked dessem bread. She swaps babysitting, using Half HOURS to count each hour. Most HOURS have been spent for maple syrup, cider and honey. "It's good for community relations that people get to know each other in a more human and personal economy. It's also good for us to learn to value our own skills and time, rather than be pushed around by external economics. In the event of an economic collapse, Ithaca will be way ahead of other places, because of barter."

**Debbie** sells used books and has spent HOURS for a watch, massage and computer time. "*Ithaca Money* enables people to rely on each other and creates a sense of community. It's opened up a lot of avenues and been a real guide for me. I've talked with others who've said they've bought things they needed and wanted that they couldn't have spent dollars to get. The HOUR's potential is unlimited. The national economy is not going to get better soon."

**Paul** has received over 1,500 HOURS (\$15,000) by selling ads in *Ithaca Money*. "People who sell goods or services for 100% HOURS can pay the full price of their display ad with HOURS." He has spent HOURS as soon as he earns them, for rent, food, bike repair, artwork, photocopies, business consulting, computer & computer repair, clothing, massage, gifts, music tapes, plants, rubber stamps, barter list maintenance, haircuts, laserwriter, an answering machine, wooden bowls, backpacks, eyeglass repair, and more. "The highest purpose of money is to create community and heal the environment. When we hire each other with local currency we buy community, the ultimate social security."

**John** has earned HOURS doing plumbing, carpentry, electrical work and house inspection. His wife Claudia has had her college papers typed with HOUR labor, and intends to sign up when she gets her MSW degree.

**Claudia** says "HOURS are really catching on. The barter list helps because people feel a need to be linked to others, especially those around us. Although our national economy facilitates travel and communication, the local and personal touch is still really important."

**Jim** has done plumbing and woodlot consulting for HOURS. "There's a good feeling involved with trading. I'd like to thank the barter community for embarking on this visionary journey together. It has enriched my family's life and taught me the meaning of community." He has hired people with HOURS to remodel his house; doing drywall, chimney repair and other work.



**Richard and Colleen** teach Cajun dance for HOURS, and Richard also offers masonry and blocklaying. He says, "All politics are local: we have to help ourselves. Congress I can't control, but I can contribute to society by being a kind and loving human being, appreciating people I meet." He just got his college diploma. "Call me up, I could really use the work."

**Neil** offers Spanish lessons and accepts HOURS for rent payments. He's used HOURS for food, roofing, and mortgage payments. "I was daydreaming recently that everybody in Ithaca was using HOURS for everything!" He says HOURS and barter stimulate our sense of community by "connecting people and establishing relationships that otherwise wouldn't exist. They allow people to support and take care of each other, independent of an exploitative banking system."

**Lynn** sells granola, jam and free-range organic eggs. He's bought books, acupressure and a hammock. "For me, selling wholesome food is right livelihood, doing work that produces tangible benefits, rather than exploiting people or nature. HOURS are gained by real effort, dollars can be gotten by investing, by shuffling paper. HOURS bring back the sense of cooperation and interdependence, of a more personal and caring economy."

**Chandra** offers psychic investigations and past life readings. She's bought toys and swapped for herbal medicine. "This is an excellent system. I've never seen anything like it before. It helps the community pull together. It took a while but then trades started to happen. I even got my Urdu lessons, from a Cornell professor."

**Marie** barter a lot, trading her singing talent (and concert tapes) for many services. She's earned HOURS for haircuts and spends them for massage. "The barter list brings people closer together. We value each other for talents, not just for money. A friend of mine used *Ithaca Money* to trade driveway repair for sheetrocking."

**Ken** makes signs in carved wood, etched glass, or paint. He has spent them for acupuncture. "I'm glad to be in *Ithaca Money*. You turned me on to Robert Hackman, who healed my elbow with a few needles, giving me my first relief in a year. Through the list I'm getting to know people on a personal level. More than just getting money, we ask about each other, learning how we can help each other. These are not just matter-of-fact cold transactions, but opportunities for personal growth."

**Teresa** is a TC3 student who gets HOURS cleaning houses. She's bought books, gifts, tutoring, and many other services with them. "HOURS are about balance, they're egalitarian, kind of like a church. The system just being here creates an example of community which we need, regardless of how much or how little we earn with it. Capitalism, by contrast, has no balance; it's built for greed alone. It's too easy to forget that we're connected and to seek solitary gain rather than seeing ourselves as part of a network. Cars and television heighten the illusion that we're not connected."

**Jan** accepts HOURS for singing telegrams and Vitamin L concerts and has spent HOURS for massage. "HOURS pull the community together in a way regular money can't do. They free us up from dependence on the larger economy. I feel more secure about HOURS than about dollars." He's done 2,000 singing telegrams in the Ithaca area.

**Alex** earned 2.5 HOURS at his first week selling pottery at the Farmer's Market. "I spent them all right away. People were far more open to taking them than I expected. The more barter there is the more it brings the community together, because you can't barter without interaction."

**Anne** sells apples and cider for HOURS, which have been spent for eye care, piano lessons and food. "The barter list is going real well for us, and this commerce feels nice, because a sense of community is better than a sense of isolation."



# The Ecology of HOURS:

## Success Stories from Ithaca Money

All national currencies are in debt to Nature, and are weakening as national economies exhaust the natural resources on which all businesses depend. National currency exchanges do not measure the strength of one currency against another, merely their comparative weaknesses. Local economies can more readily, by efficient resource use, repair the damage to nature. They can build regional economies which thrive on ecological principles in the production of food, fuel, housing and transport. Local currencies are an essential tool of this job.

**Steve** sells note cards and T-shirts for HOURS, most spent for meals and employees. He's intending to hire landscapers. "There are projects I've needed to do for years that HOURS prompt me to do." He says that "HOURS can really help promote bioregionalism. Local currency makes local self-sufficiency more possible. It helps protect our local environment and resource base so that economic activity doesn't damage the ecological base of the region."

**Debbie** offers tote bags, custom designed for groceries, diapers and so on. She bought Christmas presents and an herbal remedy. "We're enthusiastic about HOURS. We'll go through Ithaca Money and highlight what we want. We're confident we can spend them with no trouble. Since we're on a tight budget, it determines which restaurant we go to. It's great to connect our bioregion, to allow us to live as a giant group, buying local rather than having everything trucked in. We carry the paper around to show friends."

**Maija** recently joined, offering foot massage and furniture painting. HOURS are important to her because she's interested in sustainable development. "I've become aware of global economic order, and the need to foster the sense of community that's lacking in our country."

**Michael** provides alternate energy consulting, permaculture design, graphic design of bumper stickers, and has done phone calling for HOURS. He spends HOURS for meals, housecleaning, chiropractor and rent. "HOURS are the best thing to hit town since sliced bread. We're keeping the money system on a local level where it's supposed to be. We're creating a bioregional system, producing locally rather than enriching distant corporations by importing from tens of thousands of miles away."

"Ithaca Money is a great way to meet wonderful people who really care about putting good quality work into their goods and services."

**David** does chimney sweeping and trucking, and he handcrafts fine canoes and paddles. He's spent HOURS mainly for food. "As a tradesman I like the idea of people trading things we make, rather than just earning dollars and buying stuff. These days we're all caught up with going really fast. Trading gives more value to handmade, over mass-produced goods. It puts more quality and personality back into commerce."

**Melissa** does illustrations and has spent HOURS for child care. "The symbols on our money are empowering:

we lift up for appreciation Native Americans, African Americans, local landmarks, flora and fauna. HOURS help us feel at home about the land we live on."

**George and Heidi** sold about 25 Christmas trees for HOURS this season. Heidi says, "We like to encourage people to buy live potted trees, and HOURS users seem to be the more environmentalist, self-sufficient types who buy them, even though live trees cost a little more. We don't spray with pesticides, and may soon produce the only certified organic Christmas trees in the nation. The long-term effects of letting farms become pesticide dumps is bad for wildlife and water." They might rent a cottage with their HOURS.

**Michael** sold a bicycle for six HOURS at his garage sale. As director of Tompkins County Area Development (TCAD), he appreciates the potential of barter. "HOURS benefit the community by allowing goods and services to be sold which wouldn't otherwise, especially benefitting some of these experimental wholistic and sustainable industries."

**Joe** earns HOURS by selling his music tapes "Four Winds" & "Turtle Island Flute." "When I do Ithaca events I get HOURS and give them to my wife. I'm looking forward to getting a massage." He says, "HOURS are cool because they reflect my own philosophy that we need to localize our agriculture and economy, and take responsibility for our own lives. People have to shatter their 'mall mentality' and quit buying 'exciting' food and goods regardless of the effect these products have on the environment." He adds that "When our families, neighborhoods and towns develop economic alternatives to centralization, we learn to do more for ourselves and become more agile and powerful when dealing with catastrophe."

**Neal** sells organic food at the Farmer's Market and has spent HOURS for movies, bread, his son's play group, a calendar, and his house's food fund. "I'm really excited about HOURS and feel good about taking them. I always carry some in my pocket." He says he intends to hire farm help with HOURS this spring. As a farmer, he believes HOURS help support local agriculture. "Every community needs to grow as much local food as possible. It's absurd when more calories are used to transport food than the food contains." He adds, "I visit friends elsewhere and show them Ithaca's barter newspaper. I show them our money that says 'In Ithaca We Trust.' That's the bottom line, right?"



# Social Justice

**Clare** does childcare and her partner **Paul** gives construction advice for do-it-yourselfers. Their HOURS have been spent for movies, books, bagels and apples. They've swapped childcare for bread. "Barter is a step in the right direction," says Clare. "I like that we call our money HOURS rather than dollars, because it values our time. Even though people can charge different amounts per hour, the difference becomes more obvious: like an hour of your time is worth ten seconds of my time."

"HOURS encourage exchange between community members, which makes us more connected. And connection is where world peace comes from, not from politicians trying to push things around from on top."

**John** gets HOUR income from computerized astrological charts and herbal tinctures. "The purpose of money usually is so that some people have a lot of it relative to most people who have too little. HOURS and barter are the logical transition from a poverty-oriented money system to a system based on mutual aid. If done properly, barter could provide a more secure base for unionized and collectively organized workers."

**Nancy** has done tax returns and investment planning for HOURS and trades. "These were good connections, for single women who don't know a whole lot about money. And there's a lot of anger about how work by women is undervalued. An HOUR being an hour's work is a nice way around that; the concept can change the world. A lot of people are real pleased how it's going."

**Lynn** sells granola, jam and free-range organic eggs. He's bought books, acupressure and a hammock. "For me, selling wholesome food is right livelihood, doing work that produces tangible benefits, rather than exploiting people or nature. HOURS are gained by real effort, dollars can be gotten by investing, by shuffling paper. HOURS bring back the sense of cooperation and interdependence, of a more personal and caring economy."

**Ed** provides ophthalmology (eye doctor) services for HOURS, most of which he's spent for food. "For many years I've had a sign on my wall stating that I'm willing to negotiate for my services: no one should lack medical care because they lack dollars." He says that "HOURS and barter are a segment of this solution to health care needs. HOURS say that everyone's time is important, and I like that."

**Prartho** gets HOURS for palm readings. They've bought plumbing and food. "Ithaca Money is a great connector. I use HOURS to treat myself to things I wouldn't have enough money for. HOURS encourage fair pay, instead of the huge differences we have with dollars. I'm seeing people more and more willing to use HOURS as they see they're useful. My landlord has used HOURS-- maybe he'll take them from me!"

Prartho's daughter **Drisana** says, "HOURS are neat. That's how it should be: people trading work for work, and earning by doing things they enjoy." Her second daughter **Angie** says, "they're a good idea, a good deal. I just bought ice cream!"

**Dan** is a Cornell student who earned his first HOUR helping prepare a mailing. He recently moved into a home whose landlady takes HOURS for rent: "Her 7-year-old daughter asked me where I was from, then she asked me what my city's money looks like." Dan says, "I'd like to see people regard the HOUR not as a \$10.00 bill but as an hour of a person's labor and sweat, whether selling burgers, digging ditches, cutting hair or speaking up in a courtroom. We shouldn't require everyone to take the same pay, but we should be promoting it. The HOUR is not about abstract dollar credits. It's about people."

**Stephen** cashes in HOURS earned plumbing, mainly for bagels. "Capitalism can produce with greater efficiency and innovation than any other system, but it excels at satisfying useless needs created by advertising. I favor systems of exchange which eliminate profit as the primary motive of exchanges. Such systems, not fully developed yet, would remove certain commodities from the market economy, like medical care, and extend their benefits to the entire population, while using the least resources."

**Cheryl** has been giving Spanish lessons for HOURS "almost every week at the public library, a combination of grammar, sentence structure and conversation. It's really nice. I hired someone to make a little cat door, I get a regular massage, had some electrical work done and pay HOURS at the health club."

Although she's a professional Spanish teacher, she charges her low-income client just 2 HOURS for 1.5 hours of lesson. "If we're going to really truly barter we should not put a dollar value on our work. Lawyers to house cleaners, we should all be equal. At the same time, I realize it's hard for people to shift gears, and that lawyers and doctors have higher overhead. And I appreciate participation by mainstream businesses."

**Jason** sells electronic parts from disassembled equipment. He's bought haircuts, plums, and fiberglass insulation. "I enjoyed helping a high school student with an electronics project. I supplied the parts from an oscilloscope and explained them. I'm really impressed with what's happened with the HOUR system so far. It gives people who are underemployed and unemployed a chance to participate in the local economy."

**Lisa** earns 10-20 HOURS per month doing landscaping and plant care. She's bought groceries, electrical work, plumbing, carpentry, and window insulating shades. "HOURS are good because anybody can earn them, even if they don't have a job, no matter what your skills are."

**Laura** swaps her piano tuning for what she needs, like horseback riding lessons, apples, business promotion flyers. "I trade fairly often because I like to improve my life directly rather than through the intermediary of money. For me, the purpose of life is to enjoy life, not to count how many dollars you earn every year. There's something very nice about the directness of trading without putting a dollar value on it." But she does accept HOURS and dollars.

**Claire** gets HOURS through crisis intervention, therapy and hypnotherapy sessions. She's spent them mainly at Farmer's Market, and saw a movie. She also offers bed and breakfast. "HOURS are absolutely wonderful. I wish the whole U.S. would go to it. They encourage more personal respect for each other's talents and value. There's less greed at the expense and oppression of others."



# We're Famous!

During the past two months, Ithaca's grassroots barter money has been featured in two national publications and four other publications. The *New York Times* (5/31/93 p. 28) gave a nice introduction to HOURS and quoted HOUR traders Jeff Coleman, Paul Glover, Becca Harber, and Jane North. The article was written by Pamela Holden, an Ithaca freelance writer who offers editing for HOURS. Here are excerpts:

## The New York Times

An Alternative to Cash, Beyond Banks or Barter

**N**O matter how the gross national product is faring, enterprising residents of this small city have a way to keep the goods and services in motion. The secret? An alternative currency.

Since November 1991 this community scrip whose name is Ithaca HOURS has extended the local economy beyond the borders of cash and credit trading.

Today, more than 700 businesses and individuals have signed up to use Ithaca HOURS. A monthly paper, Ithaca Money, lists names, phone numbers, offers and requests in classified and larger display ads.

Ithaca HOURS allow participants

more flexibility than a pure barter system could. They also streamline record-keeping. Members who accept HOURS can spend them as they choose. There is no requirement that transactions be logged into some central computer, or that exchanges be made on the basis of a predetermined price.

Becoming part of the HOURS network is easy. Prospective members list the products or services they will exchange for HOURS and pay a \$1 registration fee. A startup grant of four HOURS (equivalent to \$40) is issued to each new member, along with voting rights in the organization's governing body, the regularly convened and noisily democratic Barter Potluck.

Pamela also wrote an article for the *Binghamton Press* (5/30/93):

By PAMELA HOLDEN

ITHACA — Money's tight, but that doesn't keep Ithaca residents from shopping.

Or from going out to dinner, catching the across-mountain, or having their cars repaired.

"Dollars come to Ithaca, shake a few hands, then leave. But HOURS stay in the community and help us hire each other."

— Paul Glover  
community economist

The *Mother Earth News* (August-September 1993) followed with a nine-page cover story explaining HOURS (at right), and an editorial endorsing them. HOUR printer David St. George of Fine Line Printing examines newly-printed HOURS on the cover.

Other photographs inside show David Kingsbury, Paul Glover, Jeremy Werbin, Mary DelaValle, Mary Moon, Eileen Sundquist, Bill Myers, Tony Ingraham, Louis Caso, Karen Gibson, and Turback's restaurant.

There are extensive quotes from Dave Wharton, Bill Myers, Anna Steinkraus, Paul Glover, Linda Blossom and Michael Turback, with the success stories of Eileen Sundquist, Toni Cesari, Debbie Nation and Neal Wecker.

TMEN Editor Owen Lipstein writes,

"A country's true wealth lies not in its money but in its peoples' skills and time. Using this system of 'barter dollars' makes the most of this asset. What ends up happening is what economists call the multiplier effect—a kind of retro-rocket of non-governmental help."

Associate editor Michelle Silver says,

"Excited to see it for ourselves, MOTHER staffers headed up to Ithaca to witness the exchange system firsthand. We saw, for example, a hotel manager take in six HOURS from a couple, which he in turn used to pay a landscaper. We watched a restaurateur use the HOURS he earned from customers on Friday night to purchase fresh produce at Saturday's Farmers Market.

## Earning Interest

One type of interest HOURS earn is publicity. Articles about our local currency barter program have appeared in hundreds of newspapers and dozens of magazines, on national and regional television and radio.

Publicity's main benefits are to spread the word locally about your currency program, and to reinforce the sense of importance about the program among your participants.

Another kind of interest HOURS earn is community interest: the trade value and human value added to our community by using new money that connects us to each other. When left in banks, HOURS don't earn minutes. They earn community interest when we spend them.

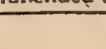
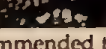
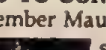
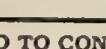
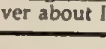
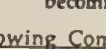
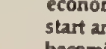
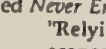
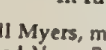
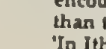
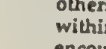
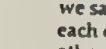
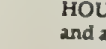
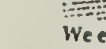
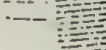
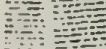
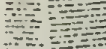
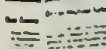
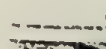
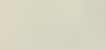
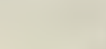
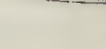
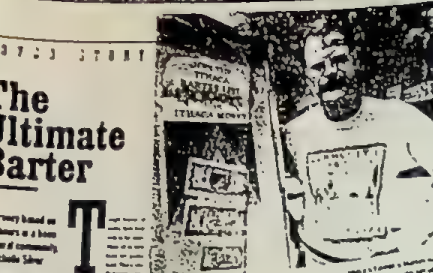
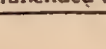
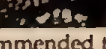
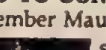
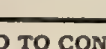
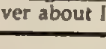
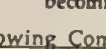
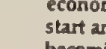
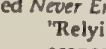
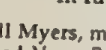
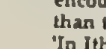
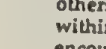
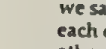
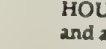
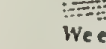
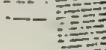
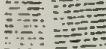
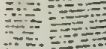
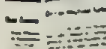
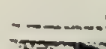
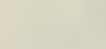
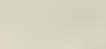
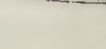
## MOTHER EARTH NEWS

THE ORIGINAL COUNTRY MAGAZINE

### The Ultimate Barter

A currency based on time, hours is a boon to a new community.

By Michelle Silver



We even whiled away the HOURS ourselves, using the four HOURS Paul sold us for three loaves of fresh bread, honey, cider and a beautifully handcrafted wooden cutting board. Mostly what we saw in Ithaca were dozens of community members who addressed each other by first name, joked around and negotiated for each others' goods and skills." She adds that "HOURS stimulate trade within the community, improving the city's economic flow and encouraging participants to put their faith in each other rather than the almighty dollar. As the HOUR plainly states, 'In Ithaca We Trust'."

Bill Myers, manager of Alternatives Federal Credit Union, wrote an article titled *Never Enough HOURS* in the June '93 *Alternative Currents*:

"Relying on dollars makes us all a company town to the national economy. Ithaca HOURS teach us that problems and solutions can start and end here. We can control local economic development by becoming more of a community."

*Growing Community* newsletter for July 1993 carries an article by Paul Glover about Ithaca's HOURS.

**HOURS GO TO CONGRESS:** About 20 participants in the HOURS list met Congressman Maurice Hinchey at City Hall, and presented him with a set of Ithaca HOURS. Shown from left are Bob LeRoy, Evan & Ellen & Anthony Maranca, Nancy Young, Alan Stern, Jin Fang, Maurice Hinchey, Schula Stern, Debbie Thompson, and Jeff Kalnitz.



Hinchey commended the Barter Potluck for providing zero-interest loans.

photo: Jim DeVito



# Self-Reliant Regional Economy

## PLUGS LEAKS

- Food (local organic production and marketing)
- Fuel (insulation, machine efficiency, solarization)
- Housing (removal from speculative market as with Community land trusts)
- Transport (decentralization of services and jobs; limit auto access to promote transit, bikes)
- Capital (reliance on locally generated money; skills; imagination; shopping locally)
- Industry (bootstrap with incubators, flexible manufacturing networks)
- Commerce (import replacement program)

## Regional Products Can Outcompete Global Products

- fuel efficient, less transport
- unique products, local invention
- promotes social trust & cohesion
- promotes apprenticeship
- employs more, multiplier by keeping more \$ in area

## Most Recession-Proof Industries

People will spend their few dollars on what they need most. And they won't throw away what they have.

- repair and remodeling (homes, kitchens, cars, appliances, watches, shoes, clothes, furniture, radio and TV)
- local food and herbs: Farmer's Market
- second-hand: clothes, books, records, dishes, appliances, cars, furniture
- transit: jitney, taxi, vanpool, bicycle
- non-disposables
- wholesale direct sale/warehouse sales, discount houses
- garage sales and swap meets

## Most Recession-disturbed Industries

- luxury cars
- higher-market homes
- new anything, especially non-essentials
- disposables
- garbage hauling
- trucking
- metals
- government-subsidized services



TOMPKINS COUNTY PUBLIC LIBRARY  
312 NORTH CAYUGA STREET  
ITHACA, NEW YORK 14850



# A Healthy Economy Provides:

1) Abundant healthy food of better taste and variety. Stimulates the production of fresh, clean food by facilitating regional production and sale by regional small organic farmers. Produces jobs in local agriculture by keeping money in the region rather than losing it to distant agribusiness and retail profits. Ends subsidies to factory farms.

2) Pleasant, secure, low-cost energy-efficient housing, which protects from cold and heat, UV rays and bugs and burglars and rain. Requires maximal energy-efficient and solar construction, emphasizing limited-equity co-op housing with strong sound-proofing. Discourages worst speculators, to level land values and make housing less costly. Forms community development corporations.

3) Comfortable, sturdy, low-cost and stylish clothing. Stimulates market for clothing made of cotton, wool, live-combed fur, linen, kapok and milkweed floss, which have proven comfortable, cool and warm enough, without using petroleum or slaughter.

4) Durable energy-efficient household goods creatively crafted. Encourages locally-controlled businesses which make useful labor-saving goods, especially of local materials. Does so with

incubator space and municipal purchase.

5) Easy access to work, friends, family and recreation. Dedicates several streets to biking and walking. Landscapes them (with benches and parks) to increase the pleasure of slower motion. Encourages private investment in local trolley systems and grants rights-of-way. Installs speed bumps, increases auto fees, adds local gas tax. Coordinates and increases major employer participation in park & ride shuttles. Provides shorter bus headways as car disincentives increase.

6) Clean and healthy water and air. Traces industrial and agricultural polluters of water and air and establishes/enforces laws on strict timetable, requiring changes in procedures to protect public health.

7) Improved public health, including reduced cancer rate. Cleans up water and air, as above, and solicits and funds neighborhood preventive clinics which educate and treat problems before they inflame. Relies on paraprofessionals for most attention.

8) Education which inspires natural love of learning, and prepares all ages for active local citizenship. Demands more local control of curricula, emphasizes creative activism, responsible ecological

enterprise, earth restoration and conflict resolution. Promotes work/study apprenticeships and otherwise develops student confidence that they can control and improve society by working together. Encourages students to help each other learn. Decreases school tax by expanding parent participation in school day.

9) Socially-beneficial work for all who want it, and sufficient wages to pay for the above needs. Job safety and control of working conditions. Promotes low-overhead business incubators which free enterprise for enjoyment by majority of public. Replaces imports by local production of food and fuel. Creates construction jobs to insulate, retrofit and solarize cooperative housing, funded by NYSEG's avoided costs. Raises capital from local corporations, foundations, churches, pension funds, insurance companies, venture funds, bank donations and tax diversions.

10) Effective defense from foreign invasion and national contamination. Defends America from invasion by its own military-industrial complex and uses most of present military budget instead to create jobs in housing, transit, alternate fuels and environmental clean-up. Develops civilian-based defense strategies. Protects rather than wastes strategic metals and fuels. Comprehends and shows respect for cultures with whom we might conflict. Raises an army of citizen diplomats.

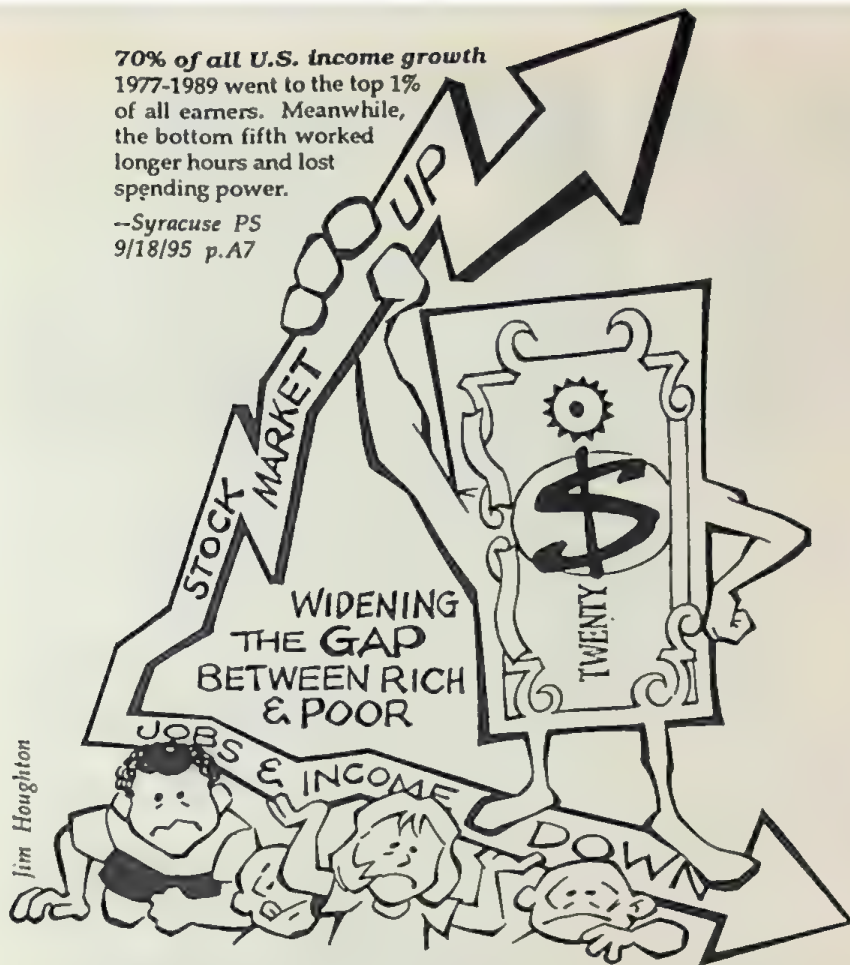
11) Reliable energy supplies for the above. Insulates present and future housing to maximum possible. Decentralizes clean industry. Houses people within walk/bike distance of work. Solarizes, and develops solar hydrogen fuel.

**Eco-Development Commission**  
MEETING: NOVEMBER 15 at GIAC (Albany & Court) 7:30pm



70% of all U.S. income growth 1977-1989 went to the top 1% of all earners. Meanwhile, the bottom fifth worked longer hours and lost spending power.

—Syracuse PS  
9/18/95 p.A7



## Dollars control people

**Dollars are issued** when major corporations and banks buy U.S. Treasury Bonds from the Federal Reserve. Taxpayers are required to repay these bonds with interest.

**Dollars are issued** in inflationary quantity to repay interest to the investors above. As a result, the U.S. national debt increases by \$850,000 every minute. Social programs are cut to balance the budget.

**Dollars facilitate loss** of wealth from Ithaca. Dollars leave town through chain stores, to be controlled by fewer and fewer distant corporations, which then gain more control of our food, fuel, housing and transport.

**Dollars exploit labor** by paying the least that the market will allow.

**Dollar dependence** makes us compete for scarce dollars.

**Dollar success is measured** as volume traded and accumulated, regardless of effects on environment or society.

**Dollars feed an economy** that thrives on war, and the destruction of communities and nature.

**Dollar designs feature monochrome presidents** and monuments of corporate government.

## A World of Difference Between HOURS and Dollars

Depending on dollars to meet our needs becomes riskier as state and federal policies (made by lobbyists) shift to reward the wealthy (with special tax breaks, contracts, anti-union legislation, global market deregulation) and to punish the poor (with low minimum wage, competition for low wages, tax hikes, reducing or cutting off aid to children).

Both Republicans and Democrats, to different degrees, have made the middle class and poor fight each other for small pieces of the federal pie. Most federal money trickles up rather than down, as interest payments, as bailouts to failed banks, as contracts for weapons nobody needs, for excess highway and prison construction, and so on.

While the dollar system is organized to maximize profits (top 1% own 40% of U.S. wealth), the HOUR system provides money that respects everyone's talents and needs.

Here are more differences between dollars and HOURS:



## HOURS connect people

**HOURS are issued** by citizens directly, as promises to accept them, and are loaned without interest charges.

**HOURS are issued** gradually and carefully, as the community learns to use them. Since 1991, 5,300 HOURS (\$53,000 of local currency) have been issued. Social programs receive HOUR grants.

**HOURS increase local wealth** based on local talent, and increase economic stability in this region. They recycle endlessly within the community, expanding our capacity to trade with each other and to develop local supplies of food, fuel, housing and transport.

**HOURS honor labor** by promoting equitable hourly pay.

**HOUR power** allows us to cooperate to meet our needs.

**HOUR success is measured** by human connection and environmental improvement.

**HOURS feed an economy** that thrives on cooperation, and on the repair of communities and of nature.

**HOUR designs are colorful**, featuring local children, natural beauty, plants and animals.

## HOME TOWN

by Paul Glover

Tompkins County industry has been fumbling our lives for years. Since 1980 nearly 3,000 manufacturing jobs paying an average \$473 weekly have been lost, and replaced by service jobs paying about \$210 weekly. During this past year the recession has caused notable job loss and layoffs at NCR, Cornell, Borg-Warner, Emerson Electronics, Divi and Wilsen Real Estate.

While the major employers and their experts and planners have dumped employees, Ithaca's smaller businesses have hung on. Our farmers' markets have done especially well.

Smaller firms in general are less likely to close than big firms (6.1% vs. 7.6% U.S. failure rate). Smallest firms (1-19

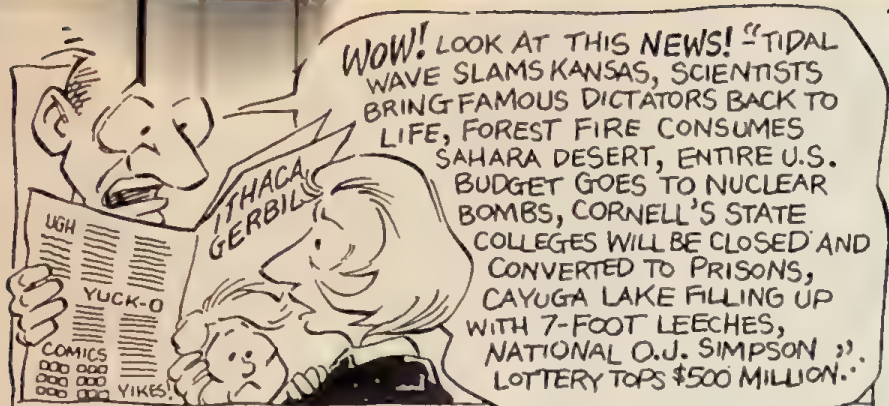
employees) provide 25.2% of U.S. jobs and are likeliest to produce most new jobs here. They are more accountable to the community. They are better able to innovate.

During boom times or bust times Ithacans have the talent to rebuild our economic base, to create a more ecological and socially-just economy which employs more of us, more reliably, at creative healthy work. We can revitalize the Commons, establish clean locally-owned industry, promote local agriculture and worker-ownership, and relieve the cost of living.

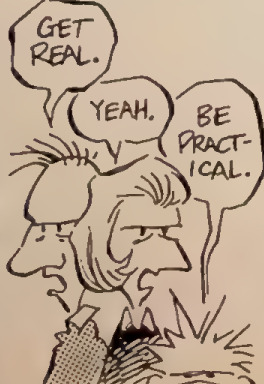
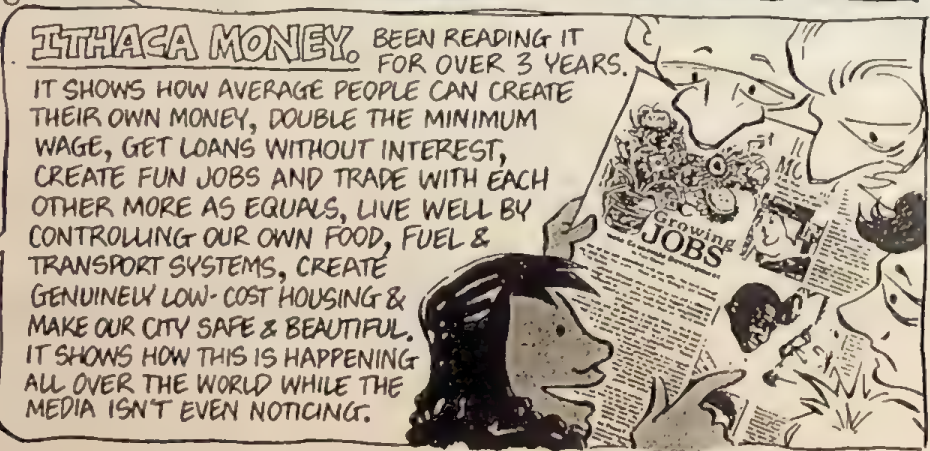
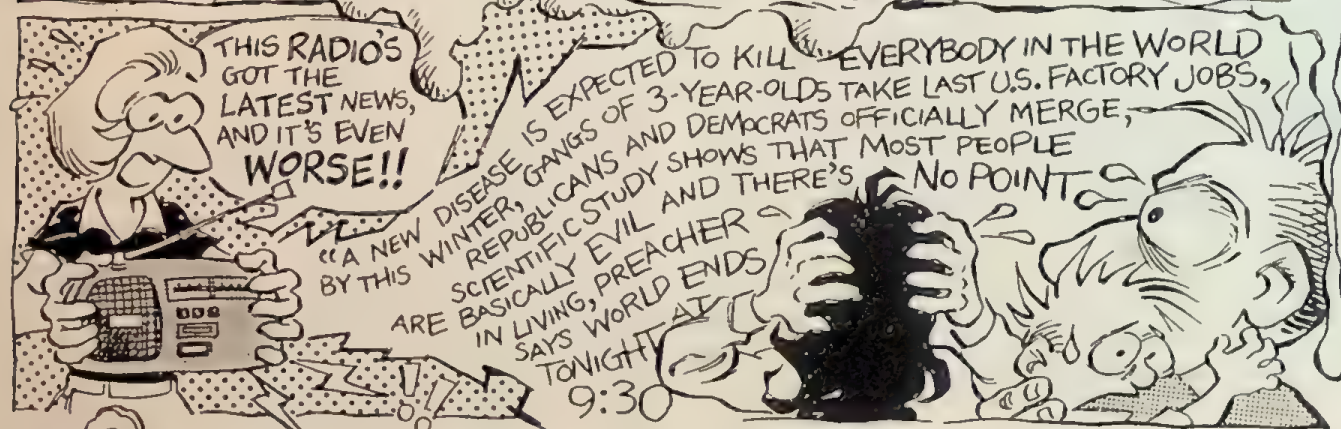
We can do this, moreover, merely by doing what other U.S. businesses, communities and individuals have already done. Our *Action Ideas* column will sample these each issue.

Ithaca MONEY is dedicated to helping prepare for the best. Therefore this paper welcomes your short articles, letters, ideas, photos and art. You're welcome as well at the Barter Potlucks, and at the ecological development meetings we sponsor.





WOW! LOOK AT THIS NEWS! "TIDAL WAVE SLAMS KANSAS, SCIENTISTS BRING FAMOUS DICTATORS BACK TO LIFE, FOREST FIRE CONSUMES SAHARA DESERT, ENTIRE U.S. BUDGET GOES TO NUCLEAR BOMBS, CORNELL'S STATE COLLEGES WILL BE CLOSED AND CONVERTED TO PRISONS, CAYUGA LAKE FILLING UP WITH 7-FOOT LEECHES, NATIONAL O.J. SIMPSON LOTTERY TOPS \$500 MILLION."







*Most dollars spent at chain stores leave town and do no more work for the local economy.*

## Ithaca Businesses Benefit by Connecting to the Barter List

**During this Great Recession** Ithaca's workers are less able to support local business with purchases. Even business owners and professionals spend less. The Ithaca Barter List helps Ithacans who can't earn enough dollars to earn barter cash instead. Many of those who trade in Ithaca HOURS are listed in this issue of *Ithaca Money*. Here are several ways that businesses could begin accepting HOURS experimentally. First, they start by setting a maximum of HOURS they're willing to hold at any one time. Then, as HOURS prove their value, they are accepted more often. WE suggest the HOUR be honored at \$10.00— the average hourly wage/salary in Tompkins County. Each business sets its own exchange rate and changes it whenever it likes.

- **Merchants gain spending power** by accepting HOURS during slow days, to bring in customers who are dollar-poor. For example, restaurants might offer \$8.00 - \$10.00 of food per HOUR on their slowest day or days (one per customer). And bowling alleys that are empty on weekdays or mornings can accept HOURS during specified hours. They might offer two games for one HALF HOUR, with every purchase of two games paid in dollars. On this limited basis the HOUR is used as a promotional coupon which the merchant can spend too.

- **Plays and concerts can fill more seats** by allowing half price or full price to be paid with ONE HALF HOUR or ONE HOUR. HEalth clubs, dance studios and movie theaters are other often underused facilities.

- **Slow goods can be moved faster** when sold as HOUR specials.

- **Higher-priced professionals**, like lawyers, doctors, dentists, carpenters, plumbers, massage therapists and chiropractors can keep regular clients and find new ones among those who can afford HOURS but not dollars. Again, we suggest the HOUR be honored at \$10.00. Therefore, if you expect \$50.00 per hour, ask for five HOURS, or ask \$20.00 plus three HOURS.

- **Some employees are willing** to accept Ithaca HOURS as part of their wages, as the list of goods and services widens. Paying wages in HOURS free a merchant's dollars for inventory, utilities and expansion. While workers must be paid at least minimum wage in dollars, additional compensation in HOURS— as "fringe benefits," are made by agreement posted at the workplace. Such HOUR wages are not subject to withholding and in some cases are tax exempt (IRS Reg. [1322.01] §1.132-1). For tax accounting, multiply each HOUR paid by the dollars-per-hour wage.

- **Businesses may be able to get HOUR LOANS**, according to policy being created by barter list participants. HOURS might pay business expenses such as wages, inventory or rent.

- **The bottom line is that** when you accept Ithaca HOURS you encourage the Buy-in-Ithaca movement which keeps more money her, both dollars and HOURS, where it can buy what you sell.



*Dollars spent with locally-owned stores stay longer, multiplying the work each dollar does.*



*HOURS recycle endlessly throughout the community, making more connections, expanding reliable trading power, and stimulating new job possibilities. They're available without payment of interest.*

## Here's Why Shopping at Locally-owned Businesses Benefits You and Our Community:

- 1 Local owners spend more profits in Ithaca. These profits stay here to help us start new businesses: to hire each other more and export more. This creates a cycle of prosperity rather than dependence. Chain stores send our wages to distant corporate headquarters.

- 2 Because a single large chain store controls hundreds of jobs, it can seriously damage the community by moving away or closing. And because chains can threaten to close, they are less controllable by the community's environmental and social standards. They can say, 'Take it or leave it.' By contrast, fewer jobs are lost when a small shop closes. At the same time, one large store is able to put several small local stores out of business, actually decreasing local employment.

- 3 Locally-owned stores are more able to sell goods that are produced locally, which stimulates expansion of new cottage industries. Hundreds of jobs have been produced here this way in the past few years.

- 4 Large corporations make large campaign contributions to buy politicians, who approve tax breaks for them. As a result, many of the biggest companies pay no taxes. They shift the tax burden to consumers. Small companies pay larger proportions of their income as taxes.

- 5 Several studies of suburban and commercial development have proven that the largest stores burden taxpayers with more fire protection, police protection, traffic control and traffic accidents, and highway maintenance, than these corporations pay for.

- 6 Large corporations hire gangs of lawyers to lobby for anti-consumer and anti-labor legislation.

- 7 Locally-produced goods require less transport fuel for assembly and distribution. We can see the environmental and social effects of local manufacture and sales.

- 8 Stores found only in Ithaca are an important part of our community's identity, distinguishing this place from thousands of other cities. Local stores can create local traditions, and even personal friendships, which last decades.





## Centralized Economies

Are controlled by an elite, regulated by a body (such as GATT or WTO) which has the authority to overrule all national trade regulations pertaining to environmental, health or labor standards. Control of land, fuel, minerals, money and housing by fewer and fewer corporations. Politicians accountable to financiers more than to citizens:

**GLOBAL MARKET**

**ZONAL/HEMISPHERIC MKTS**

**NATIONAL MARKETS**

**STATE MARKETS**

**Local Markets**

## Decentralized Economies

Encourage average people to take authority to create jobs they enjoy, to control regional resources, to create the money they need to hire each other, and to export between regions. They link communities from positions of strength. Elected officers are more directly accountable to the economic power of people:

**LOCAL MARKETS**

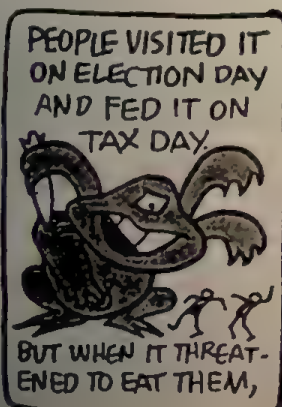
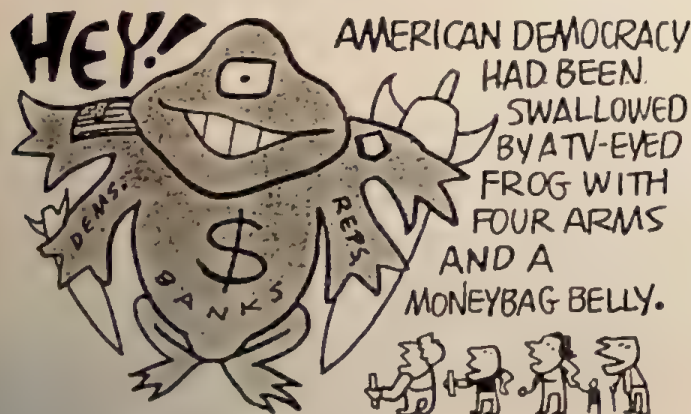
**REGIONAL MARKETS**

**INTERREGIONAL MARKETS**

**CONTINENTAL MARKETS**

**INTERCONTINENTAL MARKETS**

**Global Market**



THEY UNZIPPED IT AND LET DEMOCRACY FREE.



**This newspaper is dedicated to promoting a full-employment regional economy, advancing ecology and social justice.**

*Here are some of the ways this is done:*

- ✦ By supporting locally-owned small businesses, which spend more profits locally, and opposing expansion here of large retail corporations.
- ✦ By expanding local low-interest and interest-free credit to small businesses, family farms and community organizations, as with local currency and specialized credit union funds.
- ✦ By establishing low-rent retail incubators for locally-made products.
- ✦ By superinsulating commercial and residential buildings, to decrease Ithaca's dependence on utilities and imported fuels.
- ✦ By exposing racism in employment and redlining by banks.
- ✦ By funding a systematic program of import replacement.
- ✦ By building rail and bicycle networks,

to decrease dependence on automobiles, to keep money local, restrain suburbanization, and revitalize downtown.

✦ By supporting regional and urban organic agriculture, to decrease Ithaca's dependence on contaminated food.

**HUNDREDS OF RELATED PROGRAMS IN THE U.S. HAVE PROVEN TO BE ECONOMICALLY, ENVIRONMENTALLY AND SOCIALLY PRACTICAL.**



Every issue we headline the number of total HOURS issued, and every several issues we present a more extensive Progress Report, describing the larger picture of the system's development.

# Progress Report

*Our money system has expanded in several important ways:*

- ▶ **Number of HOURS issued.** Expansion of the money supply has been gradual during the past year while we've sought to open our own local currency department store.
- ▶ **Number and speed of HOURS traded.** More people than ever are using HOURS faster than ever, as we have more experience with them, and as we find more and more ways to spend them. Every time an HOUR is spent in a new way it strengthens the system, like the flexing of a muscle.
- ▶ **Casual use of HOURS** by people who haven't yet signed up to be listed in *Ithaca Money*. This important expansion includes everything from loan payments between friends, garage sale purchases, to rent payment.
- ▶ **Retail participation**, both by those on the list and by others who accept



HOURS without being listed. Ask anyone!

▶ **GreenStar's barter computer**, HOUR business card notebooks, and e-mail access (ITHACAHOUR@aol.com) has made access to HOUR trading even easier.

▶ **General community awareness** of HOURS. Not only in Ithaca, but throughout the world. Thanks to dozens of magazines and TV shows, hundreds of newspaper articles, and word-of-mouth, an estimated 200 million people have heard about HOURS.

▶ **Number of other cities** using HOURS is over 20 now— everywhere from Hawaii to Nova Scotia to Florida.

**AS THE GRAPH SHOWS**, HOURS have been issued more gradually during the past year than during the first three years. This is because the Barter Potluck decided to issue two HOURS upon sign up (instead of four), followed by a four HOUR bonus payment after eight months. This makes the four HOUR payment a reward for continued participation and for keeping phone number and listings accurate.

Because lots more people are accepting HOURS, and because the rate of HOUR issue has not grown as fast, the HOURS available are stretched thinner. As a result, we're also issuing One HOUR to each person willing to be listed in *Ithaca Money*, during August and September, even if their offer is not on the priority list (to right of arrow on back page). We ask that you expect to live in the Ithaca area for at least one year. This policy can be expanded or limited to these two months.

We could also expand the HOUR supply to meet demand by making larger grants to community organizations, and by paying more HOURS for more categories. But it's been considered more careful— better in the long run— to restrain HOUR issue until we have our own local currency department store/trading center. Then we'll be able to issue HOURS more readily, since the store would further balance circulation between those who earn the most HOURS and those who earn least.

These kind of questions are discussed at our Barter Potlucks, the 15th of each month. Everyone is welcome. You're invited to bring a snack to pass, business cards if you have them, and samples of your work.

## Ithaca HOUR Statistics

THIS TABLE SHOWS the monthly increase in skills list participants, including new sign-ups, total sign-ups to-date, HOURS paid to new sign-ups, HOURS paid for renewals, the four-month founder's fee to P.G., HOUR grants by month, total HOURS paid by month, total HOURS paid to-date, HOURS available per participant, total HOURS granted to-date, and the number of HOURS available to be granted at the end of each month.

Until March '92, grants were made to a maximum of one HOUR per ten participants. Thereafter, the Barter Potluck decided grants should be made to a total of 9.5% of all non-grant HOURS issued.

Since July '92, grants made for printing of HOURS (left) were separated from grants to community organizations (right), for purposes of calculating the 9.5% grant capacity.

**Over 3,400 HOURS**  
(**\$34,000**)

have been issued  
to over 650 individuals and  
businesses since October 1991.

Thousands of trades  
have been made.

Month	# New	TOTAL signups	Sign-up HRS paid	Renewal HRS paid	P.G. fee	Grant HRS paid	TOTAL HRS/MO.	TOTAL ALL HRS	HRS per cap.	TOTAL grant HRS	Grant HRS available
Oct 91	97	97	388	*	10	*	398	398	4.10	*	10
Nov 91	46	143	184	*	10	*	194	592	4.14	*	14.5
Dec 91	65	208	260	*	10	15	285	877	4.22	15	6
Jan 92	46	254	184	*	10	*	194	1071	4.22	15	25.5
Feb 92	61	315	244	*	*	30	274	1345	4.27	45	1.5
Mar 92	28	343	114	13	*	*	127	1472	4.29	45	34.5
Apr 92	58	401	237	43	*	20/50.5	350.5	1822.5	4.54	65/50.5	57.75
May 92	22	423	88	14	*	60	162	1984.5	4.69	125/50.5	13
Jun 92	45	468	186	47	*	20/5	258	2242.5	4.79	145/55.5	17.5
Jul 92	25	495	101	17	*	*	118	2360.5	4.77	145/55.5	3.5
Aug 92	34	529	139	49	*	*	188	2548.5	4.83	145/55.5	1.25
Sept 92	11	540	44	11	*	30/5	90	2638.5	4.90	175/60.5	59
Oct 92	28	567	113	29	*	60	202	2840.5	5.00	235/60.5	12.5
Nov 92	17	584	68	23	*	37	128	2968.5	5.08	272/60.5	<16>
Dec 92	10	594	43	40	*	*	83	3051.5	5.14	272/60.5	<8>
Jan 93	20	614	84	21	*	<2.75>	132.25	3183.75	5.19	269.25/60.5	4.25
Feb 93	27	641	116	36	*	5/3.5	160.5	3344.25	5.22	274.75/64	14
Mar 93	22	663	92	4	*	0/15	111	3455.25	5.22	274.75/79	27.5



# HOU'Re We Doing?

**4,390  
HOURS**  
(\$43,900)  
issued since  
October 1991  
(% rounded):

Potluck Bonus (3%)

System Grants (3%)

Grants to  
Community  
Groups (9%)

Renewal  
Bonus  
(9%)

Initial  
Sign-up  
Payment  
(76%)

## Progress Report

During the past two years, over 800 area residents have benefitted by a local currency that we ourselves create and control. Today, 4,200 HOURS (totalling \$42,000) have helped us make thousands of trades, worth hundreds of thousands of dollars. Several thousand goods and over 300 different services can be purchased with Ithaca HOURS.

The Ithaca Money list has allowed us to meet and to hire each other, to make swaps, to get what we need with fewer dollars, and to get paid for doing what we like to do. The list has grown rapidly from 170 offers in the first issue (published October 20, 1991), to 1,200 offers in this one.

Proof of our trust in each other is found in the Success Stories of 130 participants published so far, representing a small sample of our trades. These stories testify to the generosity, community pride, and personal satisfaction that our system allows. We've been making a community while making a living.

And we have helped to increase the proportion of jobs which are created locally and controlled locally. We're increasing the proportion of money that stays here to employ us. We are raising the minimum wage toward \$10.00 per hour, using a currency which respects the value of labor.

Many Ithacans no longer wait for government, commercial banks and corporations to fix Ithaca's economy. We've started to take control of job creation and credit, by using local currency, barter, revolving loan funds, farmer's markets and other community development tools.

We're helping rebuild the American economy, with priority to ecology and social justice, by expanding the Grassroots National Product.

**"Printing money for  
Ithaca is a good idea.  
It keeps money  
in the community."  
U.S. Rep. Maurice Hinchey  
(NY-26th) 9/6/93**

# 5,000 HOURS!

(\$50,000 of local currency)

have been issued since 1991. This cash has stimulated an estimated \$500,000 of grassroots trading during the past 3.5 years. You've made it happen!

A precise account of the disbursements (minus withdrawals) totalled below is available to participants by writing Ithaca Money, Box 6578, Ithaca, NY 14851, or by e-mail: ITHACAHOUR@aol.com



**ONE: 1991**  
First Day: 10/17/91  
Printed: 1500 Issued: 1500  
Withdrawn: 620  
TOTAL CIRCULATING: 880  
Percent total notes: 7.5  
TOTAL HOURS: 880  
Percent total HOURS: 17.1



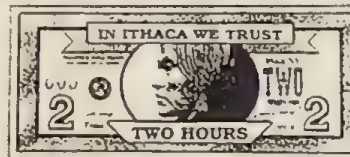
**HALF: 1991**  
First Day: 10/17/91  
Printed: 1500 Issued: 1500  
Withdrawn: 556  
TOTAL CIRCULATING: 944  
Percent total notes: 8.1  
TOTAL HOURS: 472  
Percent total HOURS: 9.2



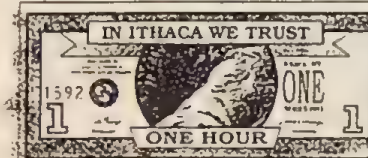
**QUARTER: 1992**  
First Day: 4/1/92  
Printed: 6399 Issued: 6399  
Withdrawn: 120  
TOTAL CIRCULATING: 6279  
Percent total notes: 54  
TOTAL HOURS: 1569.75  
Percent total HOURS: 30.6



**HALF: 1993**  
First Day: 2/11/93  
Printed: 1573 Issued: 1451  
Withdrawn: 110  
TOTAL CIRCULATING: 1341  
Percent total notes: 11.5  
TOTAL HOURS: 670.5  
Percent total HOURS: 13.1



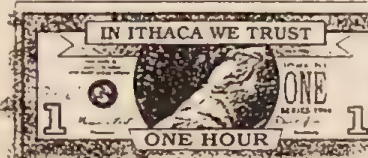
**TWO: 1993**  
First Day: 4/29/93  
Printed: 300 Issued: 179  
Withdrawn: 2  
TOTAL CIRCULATING: 177  
Percent total notes: 1.5  
TOTAL HOURS: 354  
Percent total HOURS: 6.9



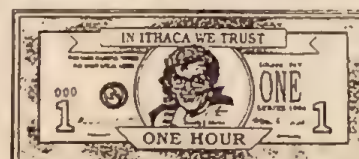
**ONE: 1993**  
First Day: 5/12/93  
Printed: 800 Issued: 768  
Withdrawn: 10  
TOTAL CIRCULATING: 758  
Percent total notes: 6.5  
TOTAL HOURS: 758  
Percent total HOURS: 14.8



**EIGHTH: 1994**  
First Day: 7/12/94  
Printed: 3000 Issued: 945  
Withdrawn: 7  
TOTAL CIRCULATING: 938  
Percent total notes: 8.1  
TOTAL HOURS: 117.25  
Percent total HOURS: 2.3



**ONE: 1994**  
First Day: 8/2/94  
Printed 700+ Issued: 230  
Withdrawn: 2  
TOTAL CIRCULATING: 228  
Percent total notes: 2  
TOTAL HOURS: 228  
Percent total HOURS: 4.4



**ONE BJM: 1994**  
First Day: 8/5/94  
Printed: 400 Issued: 81  
Withdrawn: 0  
TOTAL CIRCULATING: 81  
Percent total notes: .7  
TOTAL HOURS: 81  
Percent total HOURS: 1.6

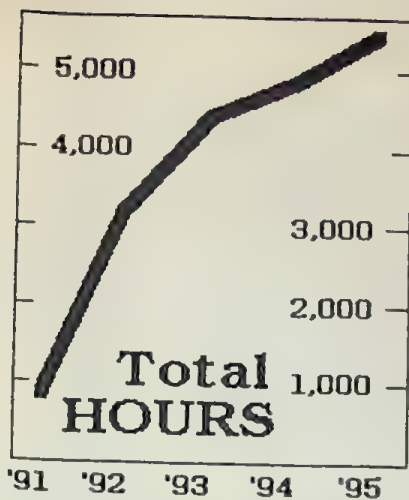


**QUARTER: 1995**  
First Day: 5/-/95  
Printed: 0 Issued: 0  
Withdrawn: 0  
TOTAL CIRCULATING: 0  
Percent total notes: 0  
TOTAL HOURS: 0  
Percent total HOURS: 0

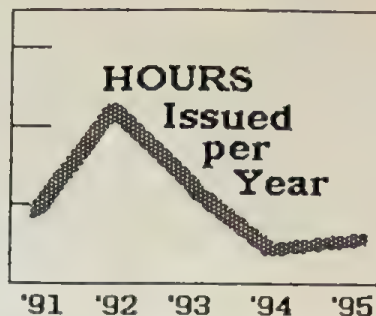
**Inventory  
3/16/95**

Total Notes Issued: 11,626  
TOTAL HOURS AVAILABLE: 5131.5  
Minus Loans Paid & Due: 125  
**TOTAL HRS ISSUED: 5006.5**





## 50-Month Summary



# HOUR Supply

This graph of HOURS per month shows the effects of policy made by the Barter Potluck. It shows how HOUR issuance gradually became more restricted, slowing the rate of issue, and how we've recently made HOURS slightly easier to find.

◆ We started by paying 4 HOURS to everyone who signed up to be listed. And we began making grants to community groups, totalling 9.5% of the HOURS issued other than as grants.

◆ A few months later we started making 2 HOUR bonus payments to people who sent in the coupon again, every eight months.

**The following measures tightened the supply:**

◆ At the same time, we made a list of offers for which HOURS would no longer be paid, in order to balance the list and encourage greater diversity. This was followed by a Priority List of offers for which HOURS would be paid.

◆ Early in 1994, we switched to 2 HOURS sign-up payment, then paying 4 HOURS bonus when people sent in the coupon after 8 months, and resuming 2 HOUR bonus payments each 8 months thereafter.

**The following measures expanded the supply:**

◆ Later in 1994, HOUR grants increased to 10% of non-grant HOURS issued.

◆ Starting mid-1995, One HOUR is paid to everyone who mails the coupon, whether offering something from the Priority List or not. We ask that people expect to live in Ithaca at least one year.

## Retailers and HOURS

The 300 businesses accepting HOURS expand the credibility and stability of our money. Most of these businesses are accepting HOURS for 100% of price, but we encourage storefront retailers to start taking HOURS for a small part of purchase price— 1/4 HR, 1/2 HR, 25%, and so on. That's because their high profile makes them likelier to earn HOURS faster, and we want them to have enough time to learn to spend more. High volume shops like grocery stores must limit how they take HOURS, or else they'd soon have nearly all of the HOURS.

Sometimes we've even restrained merchants from taking HOURS for full price, so that they could prove their ability to spend what they received. Each merchant has different lifestyle and overhead, which determines how fast they can spend HOURS. Dozens of merchants have expanded their HOUR rate as they discover more ways to use them.

## Providing enough HOURS

The HOUR's aim is to help people create work they like, and to fulfill the environmental and social benefits of local trading. To do this we seek to provide the right number of HOURS. We want enough HOURS issued so people can easily trade with each other, and we want to issue these gradually enough so that businesses have enough time to learn to use the greater quantities of HOURS they tend to receive. Each retailer sets an HOUR rate which fits their expanding capacity to spend HOURS.

At the same time, so many people have been accepting HOURS for so many purposes, without even being listed, that the HOUR supply is spread widely. This is great, because it gives deeper foundation and stability to our money. But as a result, nearly everyone says they can use more HOURS than they receive.

**Here's how you can speed the process:**

1. **Keep spending your HOURS** rather than saving them. HOURS need to be spent to do their good work of helping us help each other. With just 5,700 HOURS (\$57,000) issued, all HOURS are needed to circulate, to touch more hands. **HOURS earn community interest** (job creation, local self-reliance and pride, funding community organizations, making zero-interest loans) rather than bank interest.

2. **Diversify your spending--** spread the wealth. If you'd like help selecting a wider variety of *Ithaca Money* goods and services, or need something that's not yet on the list, just call us at 272-4330. Homebaked food and homemade clothes are some of the list's largest categories.

3. **Just ask anyone! to accept your HOUR/S,** at stores, garage sales, loans to friends, for rent, anything. Then show them this trading list. Asking stores to accept HOURS is an important way to expand our business base. Retailers are more willing to start accepting HOURS when several of their customers have asked politely.

4. **Buy HOURS (\$10.00 each) from retailers** and anyone who has some, when you don't have many. This keeps the HOURS moving. Good places to buy HOURS lately are at GreenStar, AFCU, Turback's, Andy's Third Street Café, Autumn Leaves Used Books and Farmer's Market vendors.

**You can help businesses to spend their HOURS,** enabling them to accept them at a greater rate, by:

- 1) Offering to accept HOURS as part of your change.
- 2) Introducing yourself and what you'd provide for HOURS.
- 3) Offering to accept HOURS as part pay, if you're an employee.

**And many people have said they want to use HOURS** to show support for the local economy, but that they're already working full time. Here are several stores from which you can buy a reliable supply of HOURS to move:

GreenStar Co-op, at front desk, Turback's Restaurant  
Public PC/ Copy Central, Andy's Third Street Café  
Farmer's Market vendors, Alternatives Credit Union



# Creating Jobs by Spending HOURS

According to our summer phone survey, we're doing even better than we had thought, so we're revising upward our estimate of the total HOURS traded and jobs created. Apparently at least \$1,500,000 of HOUR value has been traded since 1991, likelier \$2,000,000. This value was calculated by taking the amount of HOURS in circulation for each year and multiplying by the estimated rate of trading for each year. Thus, HOURS have created the equivalent of annual employment for at least 75 people, at \$20,000 each.

How will we do in 1996? So far 5,500 HOURS (\$55,000) have been issued. Let's assume 5% of these HOURS have been lost or otherwise removed from circulation.

**That's 5,225 HOURS (\$52,250) remaining here for our use.**

Our rough estimate is that each HOUR trades every 20 days. That's \$953,560 of HOUR trading per year, or the equivalent of 48 jobs at \$20,000 each for 1996.

If everyone spends every HOUR they receive within two weeks, that's \$1,362,230 of HOUR trading per year, or 68 jobs at \$20,000 each for 1996.

If everyone spends every HOUR they receive within ten days, that's \$1,907,120 of HOUR trading per year, or 95 jobs at \$20,000 each for 1996.

Our cover cartoon shows an example of an HOUR moving every six days, which would be \$3,178,540 of HOUR trading per year. That would create 159 job-equivalents at \$20,000 each.

## When you Spend Widely, You Expand HOUR Supply!

The Ithaca Money staff keeps close touch with how HOURS are circulating, to make sure they're moving satisfactorily. Whenever we see an accumulation of more than 2% of the total HOUR supply at any one place, we help that person/business to spend them faster. If the accumulation persists, we'll recommend steering spending HOURS around that point. If such an accumulation still persists, we recommend to the Barter Potluck a tightening of the HOUR supply, by changing HOUR issuance policy. When HOURS are moving well all over town, we recommend expanding the HOUR supply at a faster rate.

**Spread 'em around!**

The more hands they touch, the stronger they get.  
**And you're doing nicely now!**

**Spread 'em around!**

Spend your HOURS widely, rather than at just one or two places.  
The system strengthens when your HOURS touch more hands.

## HOUR LOANS ISSUED

BUSINESS	PERSON	OUT	DATE	IN	DATE
Cabbagetown Cafe	Davide Sayada	30	1/27/93	30	6/27/94
Autumn Leaves Books	Stephanie Marx	14	2/25/94	14	4/29/94
State Theatre (IPAC)	Chris Tate	30	7/20/94	30	11/10/94
GreenStar Co-op	John Hanratty	50	9/19/94	50	3/28/95
Autumn Leaves Books	Joseph Wetmore	15	5/16/95	15	8/18/95
Mary Moon	Mary Moon	5	10/24/95		
State Theatre (IPAC)	Chris Tate	20.5	11/17/95	20.5	5/10/96
Littletree Orchards	James Cummins	50	2/17/96		
Bird's Back	LaBerta McGruder	7.5	4/8/96	2	
				161.5	REPAID
				60.5	OUT
				222	TOTAL

▲ HOUR loans up to 50 HOURS (\$500) have been available since 1993. Such small loans are known as microloans, and are not provided by conventional banks. Alternatives Federal Credit Union handles the need for the smallest loans.

▲ HOUR loans are made without interest charges.

▲ The Barter Potluck has decided that HOUR loans outstanding may total as much as 5% of all the HOURS issued other than as loans. Therefore, with 5,598 HOURS presently issued other than as loans outstanding, 280 HOURS (\$2,800) are available for issuance as loans.

▲ Applications are available from Ithaca Money, Box 6578, Ithaca NY 14851 or at Autumn Leaves Used Books, 108 The Commons. Applicants are asked how they would use the loan, how they would earn HOURS, and may be asked to offer collateral.

▲ Loan decisions are made at Barter Potlucks, 15th of each month.

## HOUR First FIVE YEARS

HOUR money began in Ithaca early June, 1991, when Gary Fine, a massage therapist, wrote his name at the top of the first signup list of people agreeing to accept Ithaca HOURS. All but one of the signers of that first sheet (Jan Nigro, Mary Loehr, Gillian Pederson-Krag, Carol Hoffman, David Elliott, Hans Schmidt, Jon Roth, John Hanratty, Nancy Young, Joanne Horton, RedPoney Carpenter, Joshua Lachman, Laura Boswell, Sarah Thompson) are still in Ithaca trading HOURS.

The first HOUR and Half HOUR were printed in October, 1991, at Fine Line Printing. They are 85% larger than subsequent notes (the first HOUR signators were Patrice Jennings of Alternatives Federal Credit Union, and historic preservationist Vicky Romanoff). Serial numbers were then added, and HOURS were first issued October 17, as a system grant. The next day, October 18, HOURS were issued to the first 90 pioneers. HOURS were first spent October 19, 1991, at the Farmer's Market. Catherine Martinez accepted the first-ever HOUR payment—for a samosa. David St. George accepted the HOURS he had just printed, for part of the printing price.

The first issue of Ithaca Money was distributed starting October 19. The first ad purchased for this issue was by Leni Hochman of AFCU. Within one week the first news articles appeared, in the Ithaca Times, Ithaca Journal, and Syracuse Post-Standard. The first radio show was by Casey Stevens of WHCU, and the first TV show by an Ithaca College crew, featuring Patrice Jennings.

The first retailer to support the HOUR idea was Tom Koslowski of Toko Imports, and the first retailer to sign up was Jim Rohrsen of Papa Jim's. Lynn Cohen and Rich Szany of Cinemapolis and Fall Creek Pictures soon followed, and their participation really got HOURS moving.

First to sign up by mailing the coupon from Ithaca Money was Laurie Hart, offering fiddle lessons. Soon the first Barter Potluck was held, November 12 at GIAC (which accepts HOURS for meeting space). Twenty people signed up there. The first Potluck decision was to make a grant of 15 HOURS to the Learning Web.

The first Success Story appeared in Ithaca Money #3 (Feb. 1992): "Datta bought scarves from Marty, who then bought a custom cotton bra from Ziporah, who bought handpainted T-shirts from Patty who bought pottery."

The first Quarter HOUR was issued April 1, 1992. The first Two HOUR note issued April 29, 1993. The first Eighth HOUR issued July 12, 1994. The first commemorative HOUR, honoring Beverly J. Martin, was issued August 5, 1994. Eleven different notes, in five denominations, have been issued.

The first grants to the HOUR system were from the Finger Lakes Bioregional Green Fund (via Steve Sierigk) and from Ben & Jerry's Foundation.

At least 30 cities are now trading HOURS, based on our example.

**Thanks to you!**



No. 19 **Ithaca MONEY**

Oct-Nov '94

Your phone number changes so you call **Ithaca Money**.



**277-4176**  
change listings  
**273-8025**  
editorial & ads

Struggle for scarce dollars:  
lose one turn

**BE WEALTHY:**  
learn to  
**BARTER**

**3 YEARS WITH HOURS!**  
Attend 3rd anniv.  
Barter Potluck  
October 18

**JOB**  
well done.  
Throw again.

You plug heat leaks in house, saving fuel and money.  
**AHEAD ONE.**

Your house leaks like a cardboard box.  
**BACK 3**

Barter Opportunity leads to an apprenticeship for your kid.  
**THROW AGAIN**

**POTLUCK**  
Traders can change rules if they want.

Federal Reserve Board raises interest rates, so dollars are harder to get.  
**GO BACK ONE SPACE**

You shop at a chain store. Your money leaves Ithaca.  
**BACK ONE.**

**SUPPORT STORES THAT SUPPORT HOURS**

**SWAP**  
places with whoever's closest. Shake hands as you pass.

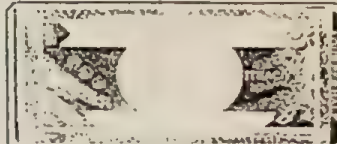
**OPTION**  
to renew listings (every four issues)  
**HOP AHEAD TO POTLUCK**

**1,000 people** take HOURS  
**ADVANCE TO POTLUCK**

**JOIN THE HOUR GAME:** Anyone may play by agreeing to accept HOURS as full or part payment. Each trader places a marker at **START**, announces their skills, hobbies, and interests. Roll one di. At **DECISION** spaces, land on one of two options. If all players land on the same space at the same time, everyone is declared a winner. All shake hands, game proceeds. Game is complete when all have entered **COMMUNITY**.

Ask anyone, "Do you accept HOURS?"  
Then show the list.

NEW EIGHTH HOUR (\$1.25) NOTE



ecological economics

**POTLUCK**  
twice-monthly, 6-8pm at GreenStar:  
see dates inside.

**WOW!** You find an HOUR on sidewalk.  
**THROW AGAIN.**

You find a dollar on sidewalk.  
**THROW AGAIN.**

**DECISION**

**YOU ACCEPT HOURS**  
as part of your paycheck.  
Throw again.

**LANDLORD** says okay, takes 3 HOURS as part rent.  
**GO TO POTLUCK.**

Describe another **ABILITY** that you have.

**over 4,800 HOURS** (\$48,000) have been issued.

**POTLUCK** makes another loan of HOURS, without charging interest.

**START HERE AND NOW.**

You agree to accept HOURS.



Earn more **Ithaca HOURS**

**Rule #1:**

An HOUR equals an hour of labor or its negotiated value in goods or services.

2 HRS = \$20.00

1 HR = \$10.00

1/2 HR = \$5.00

1/4 HR = \$2.50

1/8 HR = \$1.25



Earn more **HOURS**  
**THROW AGAIN**

Spend your first **Ithaca HOURS**

What did you buy?

*24 1/2 hr*  
**INITIAL AND DATE YOUR HOURS.**

Put **HOURS Bumper Sticker** on your vehicle, window, refrigerator, office.

**BUILD COMMUNITY POWER:**  
**WITH ITHACA HOURS!**

**INFLATION of dollar** requires you to subtract one from your next throw.

**YOU'RE A PRO!** But you take just one HOUR per hour from a low-income client.  
**GO AHEAD 3.**

**DECISION**

You buy California food soggy with pesticides. **LOSE TWO TURNS.**

You buy locally-grown organic food. **ADVANCE TWO SPACES.**

Your company threatens to leave for Mexico.  
**RETURN TO POTLUCK.**

**NEW FRIEND** made through **Ithaca Money.**  
**STOP TO CHAT.**

**BARTER CONNECTION** leads to regular job.  
**AHEAD ONE.**

**SWAP** places with whoever's closest. Shake hands as you pass.

**FALL FOLIAGE:** If you're more than 15 spaces ahead, relax and enjoy the view until others reach within 10 spaces.

**DECISION**

You spend all your money for 3rd Mercedes. Throw again, go back.

You donate HOURS to community groups. **AHEAD ONE.**

**THANKS!** for your tax-deductible donation of **HOURS** to community organizations.

**POTLUCK** makes another **GRANT** to community organization. Over 400 HOURS have been granted so far.

**THOUSANDS** of goods and over 300 services can be purchased with HOURS. Wait one turn to decide how you'd spend yours.

You get a zero-interest **LOAN** of HOURS that helps you expand your small business.

**EXACT THROW TO ENTER COMMUNITY** where everybody is a winner: where everyone's skills, time and interests are respected.  
**TURN PAGE TO CONTINUE:**

Your HOUR goes through **LAUNDRY**



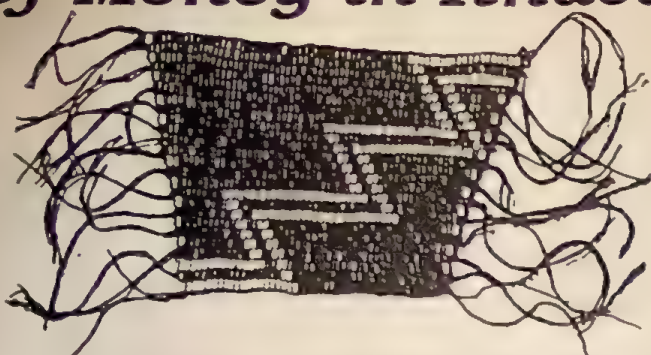
Replace it at **HOUR Bank** (Shoestring Books, by Ben & Jerry's)

Locally-owned bank invests your money in Ithaca, so more money is available.  
**THROW AGAIN.**

Out-of-town bank loans your money to polluters.  
**LOSE ONE TURN.**



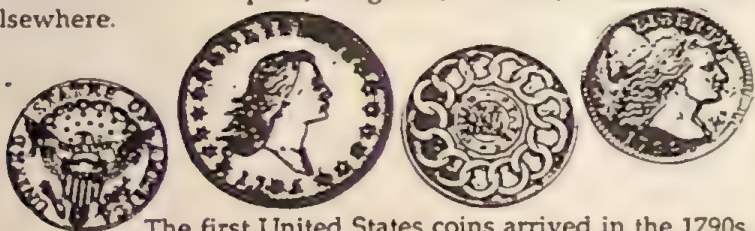
# The Quick History of Money in Ithaca



The Cayugas gathered to swap goods at Cascadilla Park (now at University). When their trades became complex enough to need money, beaver pelts and beaded wampum (above) were used.



Although the Cayugas were driven out by U.S. soldiers in 1779, the first European settlers here used Iroquois money, plus coins from Spain, England, France, Holland and elsewhere.



The first United States coins arrived in the 1790s.



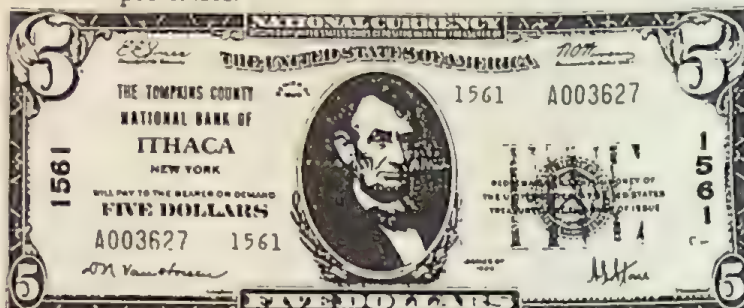
Hard times tokens were issued by merchants during depressions, as in 1837, and early Ithaca banks issued their own paper currency.

## What's a "Dollar?"

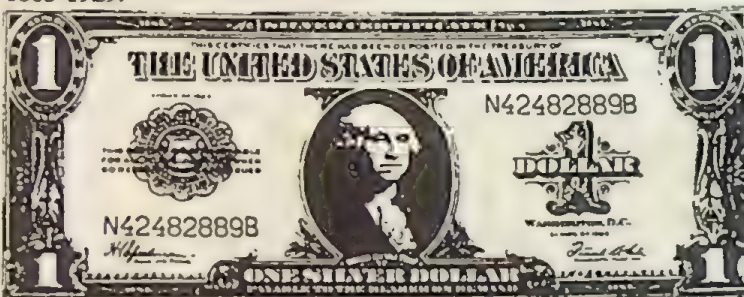
Originally a respected silver coin minted beginning 1519 in St. Joachimstal (from German tal: "valley"), in Bohemia (Czech Republic), which became known as the taler later called the daler, and later dollar. The dollar was adopted by the United States of America in 1792, and is now the unit of money in over 20 countries. The U.S. dollar was backed by gold only until 1933, by silver until 1971, and is currently backed by less than nothing: more than 5 million million dollars of debt. Fifteen percent of all federal tax collected is now spent to repay interest on the national debt.



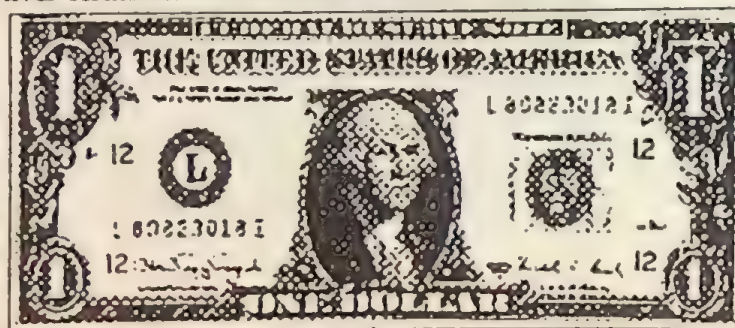
United States paper money, in denominations as small as 3 cents and 5 cents, was first found here during the Civil War. Thereafter federal regulations made currency issue by state banks unprofitable.



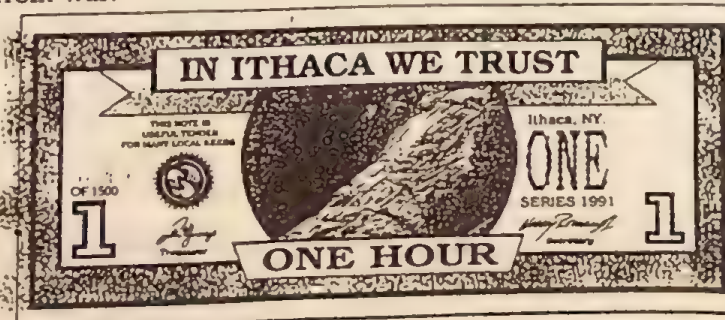
National Bank Notes were issued through local banks from 1863-1929.



The dollar has not been backed by gold since 1933. Even the silver certificate was retired in 1967.



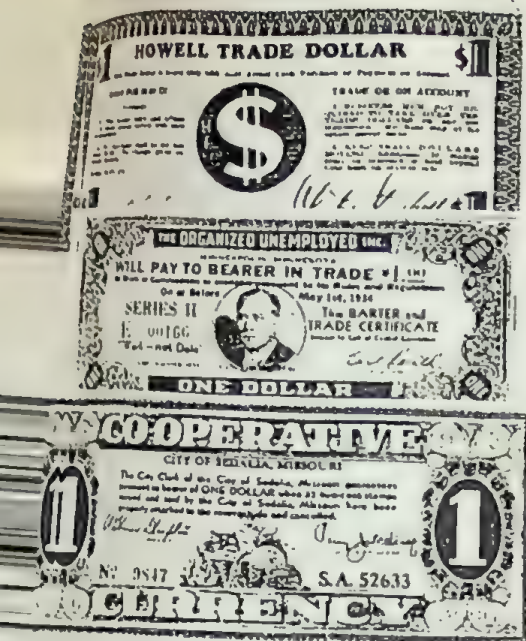
Today U.S. Federal Reserve Notes are backed by less than nothing: 5 thousand billions (\$5,000,000,000,000) of debt. Although national currency is convenient, it's issued through banks and corporate interests which can take jobs and wealth away, inflate money, damage the environment, and profit from war.



The Ithaca HOUR stays here to help small business, and helps us employ each other. Every day there are more places to spend it. Ithaca's Barter Potlucks make grants to community organizations which create jobs and benefit the environment.

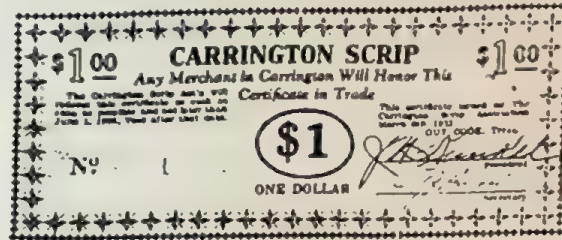


## Local Currency in the United States



Local currencies have a long history in our country, regaining prominence during the Great Depression, when over 400 communities issued their own money. At that time banks closed, and dollars had vanished. There were plenty of factories, farms, stores and people willing to work, all sitting idle because there was no money. Therefore, currencies were issued by Chambers of Commerce, by manufacturers, barter centers, churches, banks, schools, local governments, stores, veterans' organizations, mutual aid associations, and individuals. Some, like Detroit and Philadelphia, printed millions of dollars of local currency, while others, like Midland, Michigan issued just a few dollars.

Cities close to Ithaca printed hometown money, like Syracuse, Seneca Falls, Norwich and Binghamton. Their local economies could resume, even though the national economy was stunned. Here are some samples, from the Standard Catalog of Depression Scrip (Kraus Publications, 1984).



## Labor Money in the United States

After starting the HOUR program in Ithaca, we began to search for precedents. We've discovered four 1933 examples of labor money, issued as Hours. In Waterloo, Iowa; Harlem, New York; Kitchener-Waterloo, Ontario; and Richmond, Virginia.

These Hour tickets could be bartered, but were backed at only one special store.

**Ithaca HOURS are the first labor money ever honored by more than one store;** about 80 stores accept them so far [9/95], plus 150 more businesses, and over 1,300 individuals. Ithaca HOURS were further unique in that they are issued not as emergency currency, but to become a regular component of local trade, setting an example of responsible money.

**Ithaca HOURS are the only paper money issued deliberately to promote local small business, fair pay and environmental renewal, to provide grants to community organizations, and loans without interest charges.**

**The Ithaca HOUR is also the only money issued by classified newspaper advertisers to each other, represented by those advertisers who attend Barter Potlucks, where policy decisions are made.**

**After the Mother Earth News article about HOURS [Aug/Sept '93], we heard from Professor Robert Blain of Southern Illinois University, who had written a monograph promoting HOURS as money, in 1979 (see bibliography).**



(1933)



We later were told about **The Time Store** of Josiah Warren (1842), which sold goods at cost, and took profit in the form of Hour notes issued to him by customers, in direct exchange for the time it took him to make each transaction.



# Long-Range Plans

Beginning as a small system, local currency develops patiently to become a major part of local commerce. Here are some descriptions of what can happen when a local currency system takes root in your town.

## When Everyone in Ithaca Accepts HOURS

we'll be able to use many more of them,  
to finance things that today are hard to afford.

**Here are examples of these benefits:**

- ◆ **Major funding for community organizations.** Many local groups doing great work for Ithaca (for women, youth, seniors, etc.) hardly have any money.
- ◆ **Job creation center.** An incubator for grassroots enterprises, for job training and apprenticeships.
- ◆ **Large zero-interest loans** for ecological businesses, like community cannery, solar hot water, experimental housing, greenhousing, organic farms. People with new ideas often have a tough time getting loans from conventional banks.
- ◆ **Superinsulation of housing,** to reduce dependence on NYSEG and to reduce coal-burning and nuclear pollution. Technically, Ithacans could be warmed with little fuel cost, were such a program funded here.
- ◆ **Community-sponsored low-cost housing,** built without depending on government grants or bureaucracy.
- ◆ **Repair and recycling warehouse.** Lots of our "garbage" is perfectly useable, and even the broken goods have component parts that should be separated and put back to work, rather than dumped.
- ◆ **Trolley system.** Ithaca's dependence on cars is our greatest waste of wealth (for car payments, insurance, gasoline, roadwork and Oil Wars) and contaminates our soil, water and air. Trolleys and bikes can gradually make travel easier, cheaper, and more fun.
- ◆ **Land purchases for land trusts,** to preserve local forests and farms. Speculators convert the beauty and fertility of our land into suburbs. The Finger Lakes Land Trust buys land and protects it from abuse, for the benefit of future generations.

*And you name it! You're welcome to make  
HOURS policy at Barter Potlucks.*

**When you accept HOURS  
you help this process expand**

[from *Ithaca Money* Dec '94-Jan '95]

[from *Ithaca Money* June-July '92]

## Ithaca's HOUR Progress:

During the first months of HOUR use we rely mainly on barter, mixing swaps with HOURS and dollars. As the number of HOURS circulating increases, everyone is likelier to earn more. Each of us started with just 4 HOURS. Now there are already 4.6 HOURS circulating per person, because of grants to community organizations, and payments for renewal. Continued careful increase in the number of HOURS available will lead to Phase Two:

**Phase TWO--** With enough HOURS to allow larger purchases, HOURS could become a larger part of our income.

We can then foresee the following: Stores could reduce their dollar overhead by using local services and selling more locally-made goods. More employees might accept HOURS. Regular barter partners would decrease your dependence on dollars. An Ecological Loan Fund (ELF) could help start environmental businesses, and support local organic farms. Larger grants of HOURS could be made to community organizations. Local currencies might begin in many cities.

**Phase THREE--** After several years most locally-owned stores would accept HOURS. Ten percent of cash sales might use HOURS. Many prices would be listed in HOUR amounts. HOUR bank accounts would be available in a Community Development Credit Union, and some local taxes might be paid with HOURS. Many community organizations would be reliably funded with HOURS. Exports of environmental goods Made in Ithaca (such as cargo bicycles, insulation, farm tools, organic food, solar equipment, natural fiber clothing, rail accessories) could be capitalized with HOURS.

**Phase FOUR--** Many years later, the Finger Lakes bioregional economy would be far less dependent on distant corporations resources. The USA would become a nation of strong localities, linked by rapid rail. Bioregions would produce most of their own necessities ecologically, and trade emergency supplies. 25% of cash sales would use HOURS.

**Phase FIVE--** Finally, the global economy thinks locally. Economies would be controlled at the grassroots level, proudly exporting cultural goods such as handcrafts, music, arts, dance and theatre. Truly independent nations would have no need to fight for food, fuel or metal. Wealth would be shifted from warfare to earthcare.

## HOUR World

In HOUR world, thousands of cities, towns and neighborhoods would each have their own money, issued within easy walking, bicycling and transit distances. The volume of creativity and enthusiasm brought into the marketplace by local currency will be new standards of economic success.

**Local money would be issued gradually** and carefully, at the rate each community learns to use it.

**Larger regions might then create** joint currencies, or agree to accept one another's. But then, at the broadest levels of local currency trading, larger accrediting agencies would be needed to monitor the value and integrity of each currency. To keep things simple and manageable, (and to prevent replicating the abuses of national currency), we recommend that inter-trading of local currencies be formalized only between systems of comparable size, which operate nearby each other.



# GRANT REQUESTS

## A sample of some of the many received

The **Task Force on Battered Women** is very pleased and appreciative to be considered for an Ithaca Money grant.

There are many ways that our agency could use *Ithaca Money* services, with the shelter being the top of the list. Among the services that would be most useful in the shelter are:

- Sewing (large curtains for the playroom)
- House cleaning (several HOURS for overall job)
- House repairs
- Yard work (summer lawn mowing)

The office staff very badly needs computer lessons also!

Please let us know if there is further information that you require or would find useful. Thank you for considering the Task Force for these services.

Thanks for considering **Displaced Homemakers Center** for a grant. Below is a list of what the Center may use the grant for:

computer consulting, computer instruction, desktop publishing, publicity, public relations, newsletters

For women who use our services:

car repair, carpentry, child care, food, lawyer, women's health troubleshooting

I am writing to request a grant of Ithaca HOURS for the **West Haven Community Garden**, a new community garden being planted on EcoVillage land. The garden will be open to the Ithaca community, with outreach directed mainly at West Hill. All gardening will be according to NOFA (Northeast Organic Farming Association) standards, without chemical pesticides or fertilizers. Use of a plot will include organic gardening advice for those used to relying on chemicals for pest control and fertility.

Part of the organic philosophy is to feed the soil, not the plants. One excellent way to achieve this goal is to compost food scraps and manure. We have found a source of manure that will transport it to us for three HOURS per half pickup full. WE could use as much of this as possible.

We will be able to get a few HOURS donated by gardeners, but not enough for the quantity of manure required to support the project. We would appreciate any HOURS you may be able to grant to use for this purpose.

I am writing to ask for a grant of Ithaca HOURS for The **Friendship Center**. The Friendship Center recently started a program to help homeless and needy individuals to participate in activities that they normally would not have the chance to do.

Some of the activities planned are joining a softball league, bowling, having a plot at the community gardens and going to the movie theater. A donation of Ithaca HOURS will help pay for the cost of some of these

activities and help pay for the cost of food that is provided at some activities.

Volunteers play an important part in this and all Friendship Center activities. By giving volunteers Ithaca HOURS this would help the Friendship Center to say thank you to the many people who help us out on a regular basis. If you have any questions please feel free to call me.

**Ithaca Rape Crisis** would greatly appreciate a grant of Ithaca HOURS to our agency. We would be particularly interested in computer assistance, carpentry, and interior painting.

I've enclosed a copy of our brochure to explain our services. Thank you for thinking of IRC at your barter potluck. Please let me know if you have any questions.

We would like to apply for a grant of 20 HOURS to help with outreach activities of our recently formed group, **MAGPY** (Mothers and Grandmothers Protecting Youth). In spite of our name, men and non-parents are active members of our group. We are concerned with the increasing use of heavy drugs by our young people and the related crime and violence involving drug dealers from out-of-town. We want to send a dual message to the community: first, violence and heavy drugs have no place in Ithaca. Secondly, we want to promote positive alternatives for young people, especially activities which build self-esteem and hope for the future.

We are currently planning one or two block parties for young people. We would like to hire local bands for these events. We are also reaching out to many community organizations to ask for an increased level of support for youth in the Ithaca area. As part of this outreach, and also to send a clear message to drug dealers, we are planning a community-wide march in September.

We would use HOURS to hire bands, to pay for graphics and related publicity expenses, and to purchase materials for youth programs at Southside, GIAC and other places which serve young people.

**Offender Aid and Restoration** of Tompkins County would like to apply for a local agency grant from Ithaca Money. As always, we are struggling for funds and our clients are not the most popular among donors. We could use Ithaca HOURS for grantwriting and consulting, publicity/newsletters, and computer assistance.

Enclosed is a copy of our current Mission and Program Statement so you can see what we're doing this year, and 2 copies of our Volunteer Program leaflet in case you'd like to do it with us.

Thank you for the good news of Ithaca Money's gift of 20 Ithaca HOURS.

As you probably know, the **Sciencenter** is a hands-on science museum due to open next month at the corner of First and Franklin Streets. The museum has been built by 95% volunteer labor - everything from the foundation to the exhibits.

Our needs for volunteer and/or bartered labor will continue - construction volunteers, museum floor help, landscape maintenance, and cabinetry or carpentry needs.



# GRANT THANKS

## A sample of letters received:

**Greater Ithaca Activities Center** would like to thank you for the grant of Ithaca HOURS that we received in October. We spent these HOURS at Papa Jim's to purchase games and multicultural activity books, for advertising consulting services for the adult basketball league, and for landscaping consulting services for the beautification of the Alex Haley Municipal Pool. The HOURS we received helped us continue to expand the variety of our programs while using local talent and resources.

If there is an opportunity to receive another grant of Ithaca HOURS, we would be very interested. Current needs that could be met with Ithaca HOURS include sewing and materials for uniforms for our Campfire Club, and additional consulting services for the landscaping of the new Alex Haley Municipal Pool. This service project is being carried out by a group of 23 teens in one of our programs. The teens will be doing the labor and are working with a local landscaper to help draw up plans for the site.

Once again we would like to thank you for the help you have given us in serving the greater Ithaca community.

Dear *Ithaca Money Folks*,

Please add **CUSLAR** to your list of Ithaca Money success stories! Thanks to our HOURS grant, CUSLAR (Committee on U.S./Latin American Relations) hired George Torres and Lisa Rosenthal to perform a benefit concert of Mexican music. The concert helped us raise some cash and we got George excited about the whole HOURS system (Lisa's already an old pro). We've also bought more books for our Latin America library from Autumn Leaves bookstore (with HOURS of course). Now we're looking to hire people who can help us design a new logo and make a brochure.

Once again, thanks for your support.

It was very nice talking with you on the phone last week-- thanks for the barter idea concerning the kitchen. As we discussed, I am writing to thank you for your 1993 donation of Ithaca HOURS to the **Displaced Homemakers Center**. DHC has been providing assistance to women and men for fifteen years, helping people define their interests, find jobs, pursue further education, access legal information and obtain emotional support.

Using Ithaca money frees up our staff to provide more involved one-to-one work, helping people move positively through their lives toward goals and dreams. We traded with a number of people for a variety of services.

Specifically,

Office coverage @\$7/hour	75
Computer work @\$10/hour	40
General help at our annual	
Sri Lankan dinner @\$10/hour	10
Updating of our Lawyer Referral Chart	
@\$10/hour	<u>25</u>

Thanks for considering continued support to our community here at the **Displaced Homemakers Center**. We hope to use a 1994 donation to update our Legal Project handout materials and create our first Legal Project brochure for public distribution.

Thanks for considering our request and for your fine contributions to Ithaca.

Dear Friends:

**Ithaca Rape Crisis** wants to again thank you for the use of 20 Ithaca HOURS. We used this for much needed computer program updates.

Enclosed is the list of expenditures we received from your office. If anything else is needed please call at the above business number. Thank you.

Dear Ithaca HOURS Barter potluck,

As you are probably aware, **Stop Wal-Mart** is a grassroots organization fighting an economic Goliath which wishes to set up one of its vacuum cleaners in Ithaca. Since we are a short lived, one issue campaign, many avenues of fundraising are not open to us: most foundations require a year's lead time for funding grants. Up to now we have been primarily been relying on contributions from individuals. The people of Ithaca have been generous, but we have not come near the spending ability of Wal-Mart.

We have received donations of Ithaca HOURS and have used them for a variety of uses. We have been able to pay for copy costs; computer time to create leaflets, brochures, etc.; and to repay out-of-pocket expenditures by individuals with HOURS.

Our sincere thanks to Ithaca Money for the donation of 20 HOURS worth of Ithaca HOURS to the **Senior Citizens Center**.

We used the HOURS to pay for professional graphics and layout for a brochure for our new Health Insurance Education Program. (copy enclosed).

The Health Insurance Education Program offers people age 65 and older assistance in understanding health insurance issues in later life. This past summer 12 volunteers were trained to provide assistance. The program is operating on an extremely small budget. The Ithaca money was a great help to us in being able to promote this program.

## We have made more than 20 grants so far.

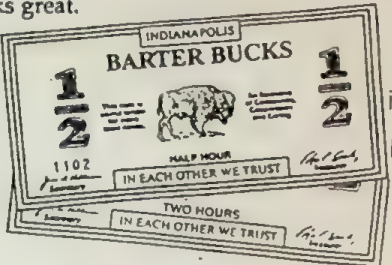


# LETTERS

This is a note of thanks for meeting with me to discuss the Ithaca HOUR system. I think the HOUR system concept will be an important contribution to the guidebook I am preparing on cooperative organizations for persons with disabilities. Anyone with a disability who uses the Ithaca system is welcome to share their story with me. Deborah Altus, Lawrence, Kansas (913) 842-3746

Here's our latest issue of Extra Money. It takes a lot more "umph" to get a barter system going in a large metropolitan, MIDWEST area, but we're confident we'll get to your size someday soon! Thanks for your support earlier in the year. Your program looks great.

In my travels to Kansas City and Boulder, it's clear that everybody's doing their own thing; we still follow your model most closely. Best wishes in this new year. We are really helping folks to transform this society; when you step back from the day-to-day challenges, it's a real joy to be a part of this revolution! Anne Hudson, Indianapolis, Indiana.



The average United States citizen pays over 53% of their personal income in taxes. Yes—over 53% of your income goes to the government: income taxes, sales taxes, gasoline taxes, etc.

Does this tell you why everyone is in recession but government employees? The government, like a giant dinosaur, is eating our farmers, our business people, and consumers. Fortunately, we learned in school that we own the government. So why are we doing this to ourselves? Ignorance. We are ignorant about money and about our citizenship. The Federal Reserve Bank is a private corporation and the very, very rich people who own it have a vested interest in keeping you ignorant because they are collecting the interest on the national debt. Your ignorance is worth billions of dollars every year to them.

But did you know that:

1. Your city government has the right to form its own bank and put a credit in its own account equal to the annual budget. Taxes are not necessary. Taxes are an obsolete holdover from feudal society. Taxes are ignorance about money.

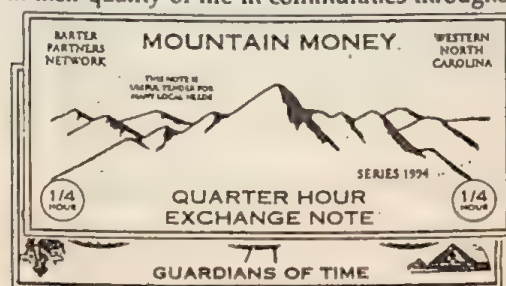
2. Your state government has the right to print money just like the Fed and American Express (which are both private corporations).

3. The county Board of Supervisors has the natural, moral, and legal right to print money for its budget. We, the voters, own the money system.

4. The United States Congress has the constitutional right to coin enough money to pay the national debt.

For a copy of my book Government Without Taxes, send \$5.00 to me at Box 5320, Chico, CA. 95927. Leonard Orr

The goal of the Barter Partners Network is to foster a spirit of cooperation and sharing among people of like minds who seek improvement in their quality of life in communities throughout Western North Carolina.



These include Echinacea, Golden Seal, American Ginseng, and Burdock.

The phrase "Guardians of Time" is used across the notes. In a sense, all elements of our currency may be seen as guardians of the value of our time. The currency reflects our trust and faith in one another. Jane Threath, Mars Hill, North Carolina

I am writing on behalf of Literacy Volunteers of Tompkins County, to ask the Barter Potluck to consider a request of 20 Ithaca HOURS. We used the previous HOUR grant for rubber stamps, grantwriting, upholstery, graphic design, letterhead and envelopes.

We've expanded to a bright new space to develop our ideas. One of these is a drop-in tutoring center, which opens February 7. We could use HOURS to move donated furniture, for sewing cushions on chairs, and we need bookshelves made. There are several more materials, services and pieces of equipment that we could obtain with the HOURS.

This is an exciting and challenging time for us, both in our programs and financially. We are committed to the Ithaca community and feel the Ithaca Money program is wonderfully important in filling the unique needs of Ithaca community members. Please consider helping us fill ours. Kate Springer, Administrative Asst.

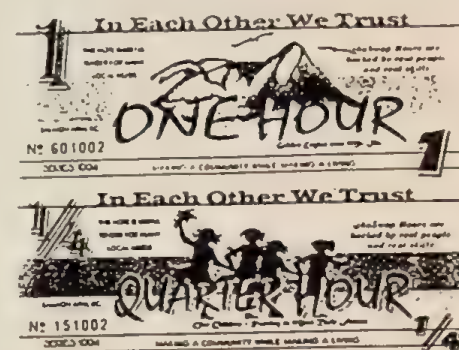
You can see by the enclosed list that we're off to a grand start and we're optimistic that, as other people in the community see the range of talents being offered, they'll start thinking about services they can offer. To me, it feels deep-down good to be able to offer my spare time to others while being able to directly access other people's time. I'm getting some basic things I need while building personal and trade connections within the local community. Joe Wilkinson, Ka'u HOURS, Naalehu, Hawaii



With interest I read about the Hometown Money Project. Could I ask you to send us the Hometown Money Starter Kit to Mongolia? We would appreciate it very much. Markus Dubach, Ulan Bator, Mongolia

I am lively interested in your article about Ithaca Money. Please kindly send a copy. Lumia Migambi na Kamari, Bujumbura, Burundi

Thank you for your time this morning. It was a pleasure knowing that you are interested in helping any one you can. Your efforts are touching many people beyond Ithaca, New York. Bob McGartland, Ferguson, Missouri



I have enclosed some samples of shuSwap HOURS for your inspection. About 75 people attended a fun filled HOUR event held on the grass at the Salmon Arm Wharf & Marine Park. This site was chosen to symbolize and emphasize that it is a grassroots movement and that the "buck" starts and stops right here with each of us taking some responsibility for our affairs, either local or global.

Our membership is growing slowly but steadily. We now have several recognized storefront businesses (including our mayor's own Wickett Business Services) and dozens of individuals participating. I have made presentations to the Mayor, Chamber of Commerce, Rotary, organic farmers, and numerous clubs in the Shuswap area. The whole idea is generally being very well received and we expect to publish our first issue of our talent directory by the end of summer. We are calling our directory "the shuSwapper." Thanks again for all your help.

Erik Hansen, Salmon Arm, British Columbia, Canada

The Tompkins County Chamber of Commerce Board of Directors approved Ithaca Money's application for membership at their meeting on June 22. The Board is allowing you to pay HOURS as part of your membership fee, in recognition of your creativity, the uniqueness of your business, and its place in the business community. We welcome Ithaca Money to the Chamber organization and to Chamber programs.

Herb Brewer, President, Tompkins County Chamber of Commerce.

I am intrigued with the idea of local HOUR money as a means of coping with unemployment and underemployment, and feel that it could be very useful where I work in Cape Town, South Africa. I am a recently returned South African exile, and have been working in development in Africa for over 20 years. Unemployment is a problem in all urban situations, yet there is so much work that needs to be done. This could be a good way of encouraging local initiatives, helping people meet their needs and keeping money in local communities.

If you would be willing to donate us a free copy of your Hometown Money Starter Kit, it would be well used. Congratulations on your work and thanks for your assistance.

Anne Hope, Cape Town, South Africa

Enclosed please find our premier issue of Maritime Money as well as some sample notes. Thank you for your suggestions, comments, etc. during our many telephone conversations over the past year. You were a great help in getting this project up and running. We feel we have done a good job 'mainstreaming' the effort from the start, particularly with the help of the local credit union.

Bob Cervelli, Halifax, Nova Scotia





# LETTERS

I'm writing to let you know how HOMES, Inc. used its Ithaca HOUR grant. We spent HOURS to purchase computer set-up and trouble-shooting, repairs to some of our residences, and layout and typesetting for our Newsletter and Annual Report. We also got more HOURS donated by Oasis as part of a fundraising day they did for us.

As you can imagine, things are very tight around here financially because of the state budget cuts, so having this gift of Ithaca HOURS really helps. We would appreciate any future donations you can make, and will certainly be able to put them to good use. Dierdre Silverman, Ithaca

I would appreciate it if you could pass along any advice or insightful points that would apply to the use of HOURS in a large city, such as Philadelphia. Were we to try to implement such a system, at what level should we begin-- neighborhoods? What size seems to work best? Adam Mizock, Department of Commerce, City of Philadelphia.

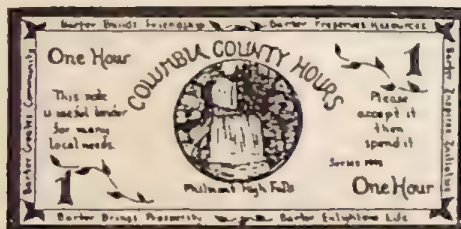


Wanted to let you know that we had a very successful event to introduce Valley Dollars, on Saturday. Our State rep and senator came, as did the Amherst Town Manager and the Pres. of the Chamber of Commerce. Local cable TV filmed much of it to make a program, so we'll have a tape for further outreach too. Sixty new members signed up and a lot of interest was generated. The Valley Optimist [penny-saver] will be presenting the premiere edition of the "Valley Trade Connection" in their publication soon.

Ithaca Money has been very useful in giving them the idea of what we're doing. Thanks for all your efforts and support. Gurunam Khalsa, Greenfield, Massachusetts

I am about to take a job as the Town Manager in Randolph, Vermont. I first heard about your efforts when I attended the annual meeting of the Balaton Group in Hungary last year. Please send me a copy of your Starter Kit. Gwendolyn Hallsmith, Randolph, VT.

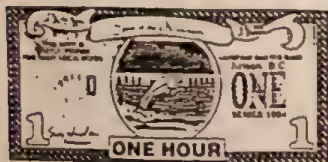
Here, with much gratitude, is our first barter news list "HOUR County" and Columbia County HOURS. Nine days since coming off the press now and we are still distributing both to members and new members-- the phone is often ringing!



The business community is the next step, and folks at our first Barter Potluck were eager, positive, enthusiastic about approaching friends among them.

I am enclosing a check for as many current and back issues as you can ship-- they are definitely a tool in the trade, and I never tire of re-reading them. Virginia Osborne, Philmont, New York

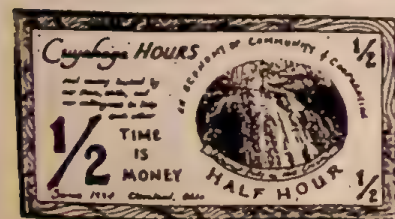
I heard a lot about Ithaca Money and HOURS. I've decided to give it a try with my evergreens (see trees) at wholesale prices to all. They're locally-grown in Newfield and disease-free. My prices are below what you'd pay at local nurseries and outlets. You can select, and dig yourself or I'll dig and deliver, & plant if you desire. Try me! Ron Bergman, Ithaca



Well, here it is, our first money. Some people are wildly enthusiastic, others haven't a clue what I'm talking about. I quite like our first effort, although I had high hopes for the first printing on hemp instead of cotton.

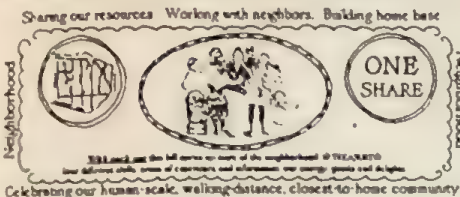
Thanks to your prototype, the labour wasn't too long nor the birth too agonizing. And the printer took 4 Kootenay HOURS in exchange for the PMT work. My first transaction! So thanks for the talk the other night. I'm very encouraged so far and hope the magic keeps working.

Sury Hamilton, Kootenay Barter Bank, Nelson, British Columbia



Cuyahoga HOURS began in January, and we have about 90 participants. We've prepared a flyer for Earth Day, and signed up people at the Hessler Street Fair. Co-sponsors are the Northeast Ohio Greens, and Women for Racial and Economic Equality. David Ellison, Cleveland, Ohio

Congratulations on being reviewed in The Millenium Whole Earth Catalog! As the introduction says, "We only review stuff we think is great. Why waste your time with anything else?" The hardest part of creating this Catalog was deciding what to include; reviewers typically considered anywhere from 10 to 100 items for each one they finally chose. To have been selected is a genuine accomplishment. We are excited by this book. It would not have been possible without the people whose work it celebrates. I salute you for your achievement, and offer you best wishes for continued excellence. Michael Stone, Managing Editor, Whole Earth Catalog, Sausalito, CA.

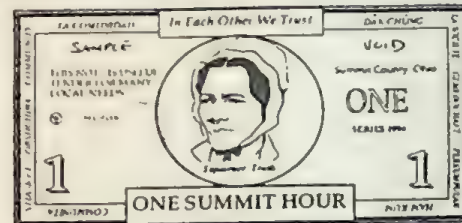


You have really started something. Here's a sample of our new neighborhood currency [Negotiable within a 15-block area]. Olaf Egeberg, Takoma Park, MD

I recently read about your group through an article in Woman's Day magazine. I would like to receive information about registering with your organization. Dawn Westbrook, Interlaken, NY.

Here's a copy of our initial directory. None of "Hour" efforts could have been possible without your inspiration, practical suggestions... and of course your Starter Kit!

Greg Coleridge, Summit HOURS, Akron, OH.



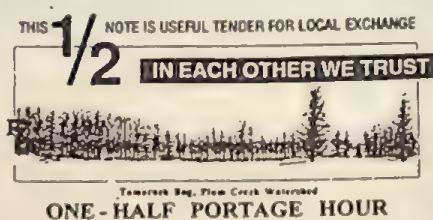
We are excited to be sending you your complimentary copy of WOMEN GET CREDIT - An Introductory Kit on Alternative Financing! We want to thank you for agreeing to be a resource for people to contact if they want more information about one of the strategies discussed in the Kit. Lucy, Melanie, and Emma, WomenFutures, Vancouver, B.C. Canada



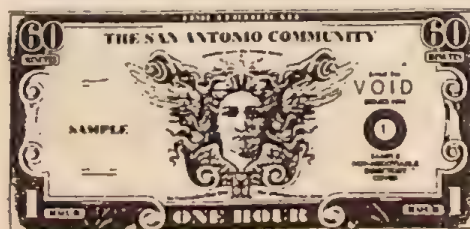
Enclosed are our Capital Area Self-Sustaining HOURS (CASH), sponsored by the Employee Ownership Network. There are a lot of people here who have skills and needs, but they don't match up because there isn't enough money. A local currency and barter network can act as an excellent launching pad for the development of full time business enterprises. Peter Glassman, Albany, New York

I love what you're doing in Ithaca! I wrote a book, World in Transition, in which I spoke about political and economic democracy, so your project speaks to my heart. I've shared it with my network, and everyone is impressed. My hat is off to you and the folks in your network for the fine work that you've done. Yanaar Jane Lee, Monte Rio, CA.

Portage HOURS are now being issued. They stretch the income of people who barter skills, and they expand the customer base of participating businesses. And they honor local natural features: Tamarack Bog in the Plum Creek Watershed; the Bridge Falls Dam and Lock Downtown Kent; Standing or Council Rock in the Cuyahoga River. Bill Schultz, Kent, OH.



We at ARISE are very impressed with your system. We have been trying to develop an exchange system for our members, mostly single mothers and other women trying to improve their income. We visited the E.F. Schumacher Society recently and they suggested that we send for your Hometown Money Starter Kit. Nancy Lyman-Shaver, Springfield, Massachusetts



San Antonio HOURS began as we became aware of the number of people who were suffering during the recession, not having enough work or the right work. There are always people who can't get enough dollars to buy the things they need, so what we're doing is creat-

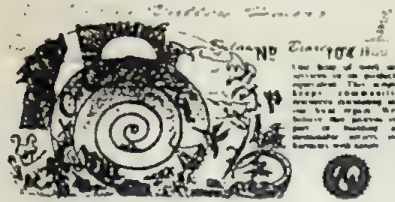
ing a 'virtual mall' of services and goods. It's also part of the movement of people wanting to take control of their lives instead of being subject to larger forces. Mary and Jim Lampkin, San Antonio, Texas



# LETTERS

Our government is screwing us royally and a lot of families are hurting and I would like to try to help. Please send me the Kit that explains how to set up a local barter exchange.

Laara Xavier, Williams Lake, British Columbia, Canada



**Lehigh Valley Barter Hours** is now up to fifty members. We are ready to put our one half and quarter Hour bills into circulation. People have reported trades in house cleaning, moving, and ironing. We had our trees trimmed and I'm taking guitar lessons and did a videotape.

Our Green group is passing out copies of your article on Wal-Mart along with a sign up sheet of pledges not to shop there. There is a video about the experience of one Midwestern town with a Wal-Mart that destroyed the downtown business district. Guy Gray, Bethlehem, Pennsylvania

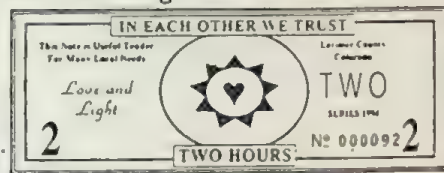
We took the initiative to translate one of your articles into Spanish and to circulate it through our bulletin "La OTRA Bolsa de Valores" [The OTHER Stock Market]. We are very interested in getting your Starter Kit. Luis Lopezllera, Promoción del Desarrollo Popular, Mexico City, Mexico

Enclosed are copies of our new Lorimer HOURS and Barter Directory. Who knows, maybe this idea will catch on throughout the entire state.

Thank you for your packet of information, your inspiration, your research, and your motivation. You have provided the concept for a much needed service.

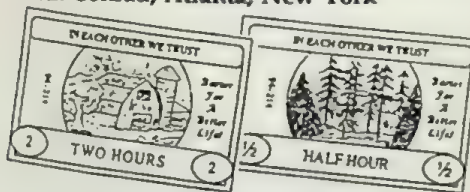
Karen Mohler,

Fort Collins, Colorado



We're organizing the Freedom Rally this year [Cortland and Homer, NY] and we're very much interested in the Ithaca scrip program, and would like to have someone from the organization come to give an address about it.

Keith Conrad, Atlanta, New York



**Here is our barter money and newsletter.** Please list us as Northeast Barter Bucks. Our members are all from small towns and we live close to the county line. Donald and Pat Eitner, Carbonado, Washington

I read the *Mother Earth News* article [Aug/Sept 93] about Ithaca HOURS—I'd like to get your Hometown Money Starter Kit. I'm gearing up to do graduate research on alternative money systems, vis-a-vis women's roles in them. Recently I visited Ithaca and picked up a copy of your newsletter—I'm inspired! Jennifer Britton, Pittsburgh PA.

We have just recently spent the Ithaca money that was granted to the Learning Web and know how valuable Ithaca HOURS can be. In addition to a computer consultation we were able to have a consultant design and facilitate a day-long staff retreat. Issues around staff communication, creating a good work environment, examining how prejudice affects organizations were among the topics explored. It was a valuable workshop, one that normally the Learning Web could not afford. We thank you for making this all possible.

Sally Schwartzbach, Ithaca

Enclosed please find a check for \$20.00 for your Home Town Money Starter Kit as seen in *Utne Reader*. Larry Brown, Alexandria, VA.

We at GIAC would like to thank you for the grant of Ithaca HOURS that we received in October. We spent these HOURS at Papa Jim's to purchase games and multicultural activity books, for advertising consulting services for the adult basketball league, and for landscaping consulting services for the beautification of the Alex Haley Municipal Pool. The HOURS we received helped us continue to expand the variety of our programs while using local talent and resources.

If there is an opportunity to receive another grant of Ithaca HOURS, we would be very interested. Current needs that could be met with HOURS include sewing and materials for uniforms for our Campfire Club, and additional landscaping consulting. This latter project is being carried out by a group of 23 teens in one of our programs. The teens will be doing the labor and are working with a local landscaper to help draw up plans for the site.

Once again we would like to thank you for the help you have given us in serving the greater Ithaca community.

—Dan Klein, Recreation Supervisor

**Thanks for your letter of inquiry** about hemp fibers, for use in printing Ithaca HOURS. I am enclosing some samples of paper being made in the U.S. from hemp. We have available fabric scraps that can be ground into something that will easily pass through a Hollander Beater.

I am very aware of Ithaca money. It serves as an example to the rest of the world. Don Wirtshafter, Ohio Hempory, Guyville, Ohio

Please add CUSLAR to your list of Ithaca Money Success Stories! Thanks to our HOURS grant, CUSLAR (The Committee on U.S./Latin American Relations) hired George Torres and Lisa Rosenthal to perform a benefit concert of Mexican music. The concert helped us raise some cash, and we spent HOURS for more books for our Latin American library, at Autumn Leaves bookstore. Now we're looking to hire people who can help us design a new logo and make a brochure. Once again, thanks for your support.

Daniel Fireside, CUSLAR Coordinator

Here in Hawaii, we have a special situation which might be greatly ameliorated with the introduction of a local currency of the kind described in the *Mother Earth News* article.

The plantation has traditionally been the basis of the Hawaiian economy: one crop grown on nearly all the local land with one owner employing nearly all of the local residents. Recently, however, the global economy has spelled doom for the plantation way of life, with sugar and pineapple cultivation going to Third World countries where labor is much less expensive. Most pertinent to the part of Hawaii in which I live is bankruptcy of the Hamakua Sugar Company, which employed more than 800 local people—the bulk of the population of this area. These are hard-working, skilled people whose livelihood is going away, with nothing in sight to replace it. When the final harvest is taken in after August 1994, all that will remain for these people is their unemployment benefits. After that is gone, there will be nothing.

It seems to me that in a cash-poor, skill-rich society, there would be a great need for a system of barter and local currency. We used a simple barter system in the small publishing collective to which I belonged in San Francisco during the 1980s, and it was fun as well as useful to us. I would be very interested in getting the benefit of your experience. Enclosed is \$25.00 for your Hometown Money Starter Kit.

Paul Acciavatti, Sustainable Living Institute, Paauilo, Hawaii

Thank you for your supportive words on the phone. At present the town of Wendell has a listing of people and businesses that are willing to barter. The listing is updated every 4 months, and inserted into the town newspaper. Our first edition listed about 90 entries. Not bad for a town with a population of 800! The directory is called *Fair Trade*. The local food co-op has financed costs for the first year.

Heather Lenz, Wendell Depot, MA.

Our sincere thanks to the Barter Potluck for the donation of 20 HOURS to the Senior Citizens' Council. We used them to buy graphics and layout for a brochure for our new Health Insurance Education Program. This program offers people age 65 and older assistance in understanding health insurance issues. This past summer 12 volunteers were trained to provide assistance. The program is operating on an extremely small budget. The Ithaca HOURS were a great help to us in being able to promote this program. Marilyn Grey, Executive Director

**Thank you for the good news** of the Barter Potluck's gift of 20 Ithaca HOURS. As you probably know, the Sciencenter is a hands-on museum at the corner of First and Franklin Streets. The museum has been built by 95% volunteer labor - everything from the foundation to the exhibits.

Our needs for volunteer labor and/or bartered labor will continue - construction volunteers, museum floor help, landscape maintenance, and cabinetry or carpentry needs. — Sherri Bergman

**We at Ithaca Rape Crisis wanted to thank you again** for these additional Ithaca HOURS that we used for another computer project.

—Pat Webster

**I am working with 20 other graduate students** on 'Visioning' the future and ways that society can attain sustainable life styles; founded on ecological and just social principles. Enclosed is \$20 for your Home Town Money Starter Kit. Please send us information about other books and community projects that you think would help us towards this goal. — Stephen Bennett, Burnaby, British Columbia, Canada

**Greetings! I am researching** alternative forms of employment for a self-help centre in Hamilton, Ontario. One of the alternatives I have been investigating is the LETSystem computer-barter system. I have a copy of your newsletter— you are doing great things down there! It appears that *Ithaca Money* is quite similar to LETS, with one major difference, you use a tangible unit of exchange.

One of the problems with LETS is that many small businesses are suspicious of an electronic unit of exchange, even though many of their transactions in regular money are electronic. There is a preference for something that can be readily converted into regular money. Tangible units of exchange, like Ithaca HOURS, promote greater confidence than electronic bits. Neil Williams, Neighbor to Neighbor, Hamilton, Ontario

**Here's a suggestion for Ithaca Money:** do you think a separate & detailed list of people willing to do temporary work would interest local businesses? It seems to me like there could be a fair number of people who are self-employed but wouldn't mind working in someone else's office occasionally, if there was no middleman in the way of a decent wage.

—See office work, secretary, filing, typing, word processing, etc.  
As *Ithaca Money's* pages increase we'll be able to include special lists.

Keep up the good work! *Ithaca Money* is such a great concept!

—Emily A. Pugh



# TASK LIST

## NEWSPAPER

### • TEXT

- **REGULAR:** Success Stories, Potluck Dates and Report, Temporary Holds, Ask Anybody, Letters, Sign Up to Use HOURS Coupon, How to Barter, \$10 for Tax Purposes,
- **THEME:** Text and Graphic

### • ADS

- **PROSPECTS:** Ad Prospects sheet, collect business cards
- **SALES:** by phone and in person, collection of HOURS and dollars
- **DESIGN:** Graphics, Borders, Typeset, Approval if necessary
- **ACCOUNTING AND RECEIPTS:** Ad Sales sheet, Ledger, Receipts envelope
- **COMPUTER LIST:** business name, contact person, phone, ad size, ad issue

### • BARTER LIST:

- **LIST EXPANSION:** tabling in public places, recruiting retailers
- **DIALING FOR HOURS:** to confirm/change phone and listings, answer concerns & questions
- **FILE NEW LISTINGS AND CHANGES/DELETIONS UNTIL ENTERING**
- **DELETE NEW LISTING SYMBOLS (+++) FROM PRIOR LIST**
- **ENTER NEW LISTINGS:** offer/request, name, phone, last name, person's first issue #
- **ENTER CHANGES**
- **DELETIONS**
- **CREATE AT LEAST TWO BACKUPS OF ALPHALIST,** store in different places
- **LASERPRINT LIST WHEN READY FOR PASTEPUP:** 4.75" wide, 9 point Palatino on 10 point leading, Alphabet 12 point Bookman Bold on 13 point leading

## DISBURSEMENT OF HOURS

- **DESIGN & PRINT HOURS**
- **DISBURSEMENT SHEET:** serial numbers by denomination, HOURS issued, name, phone - Totals at bottom of completed sheet. Computerization recommended.
- **MAILING OF HOURS** enclosed in "Here Are Your HOURS" sheet, with "HOURS Accepted" card,
- **STORAGE OF HOURS** at Alternatives Federal Credit Union, sign out for office use
- **SUPPLY HOURS** to HOUR Bank, provide and copy their disbursement sheets and initial withdrawals to credit union. Repair & replace damaged notes

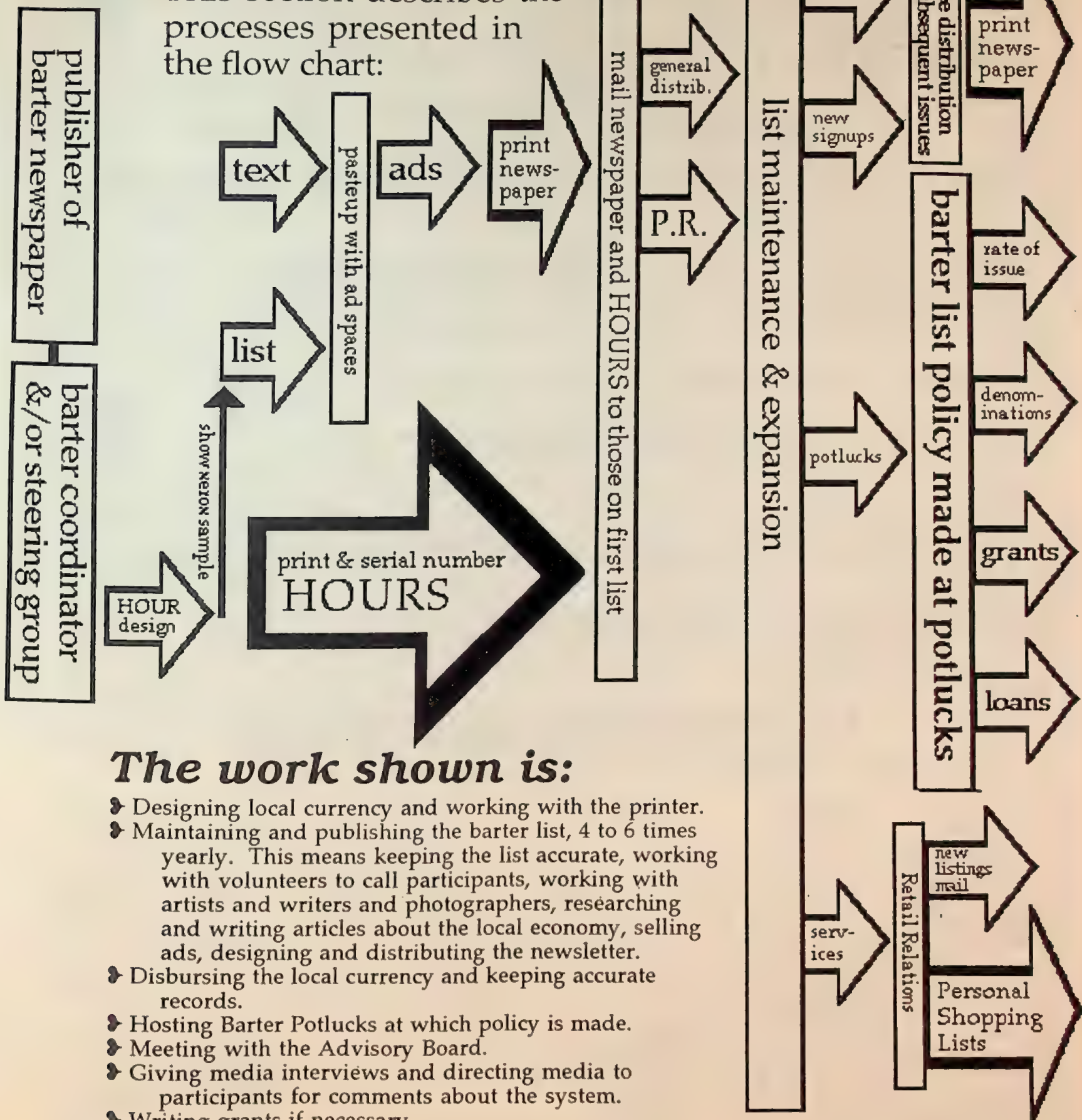
## PARTICIPANT SERVICES

- **CONNECTIONS:** filing requests for additions to the list, calling those requested
- **PERSONAL SHOPPING LISTS:** read entire list to those who have earned lots of HOURS, note selections, typeset their list (by deleting from main list what they did not select, then **MAKE THREE COPIES:**
  - for the person for whom the is made
  - for office, for updating periodically
  - for Connector who calls those whose help has been requested
- **NEW LISTINGS SHEET:** provide list of new listings for those who earn lots of HOURS **NEW LISTINGS MAILING LIST** for those to whom the list can't be hand delivered
- **DELIVERY** of goods for busy retailers/others
- **HOUR BANK** at Autumn Leaves Books: make change, replaces worn or torn notes, bank HOURS
- **LOANS:** loan forms available and Autumn Leaves Books or from Ithaca Money, loan repayments
- **POTLUCKS:** twice-monthly meals and deals: decide grants, grant percentage, loans, denominations, printing more HOURS, rate of issue for sign-ups and renewals
- **PUBLICITY:** spotlight their store's participation
- **BARTER POST:** LOCAL TALENT COMMUNITY CENTER/JOB DEVELOPMENT CENTER/RETAIL OUTLET: Priority for locally-made goods having no other retail outlet, whose producers will take 100% HOURS and are willing to work in the store
- **CERTIFICATES OF APPRECIATION**
- **BUMPER STICKERS**
- **100% CLUB CARDS**



# Step-by-Step

This section describes the processes presented in the flow chart:



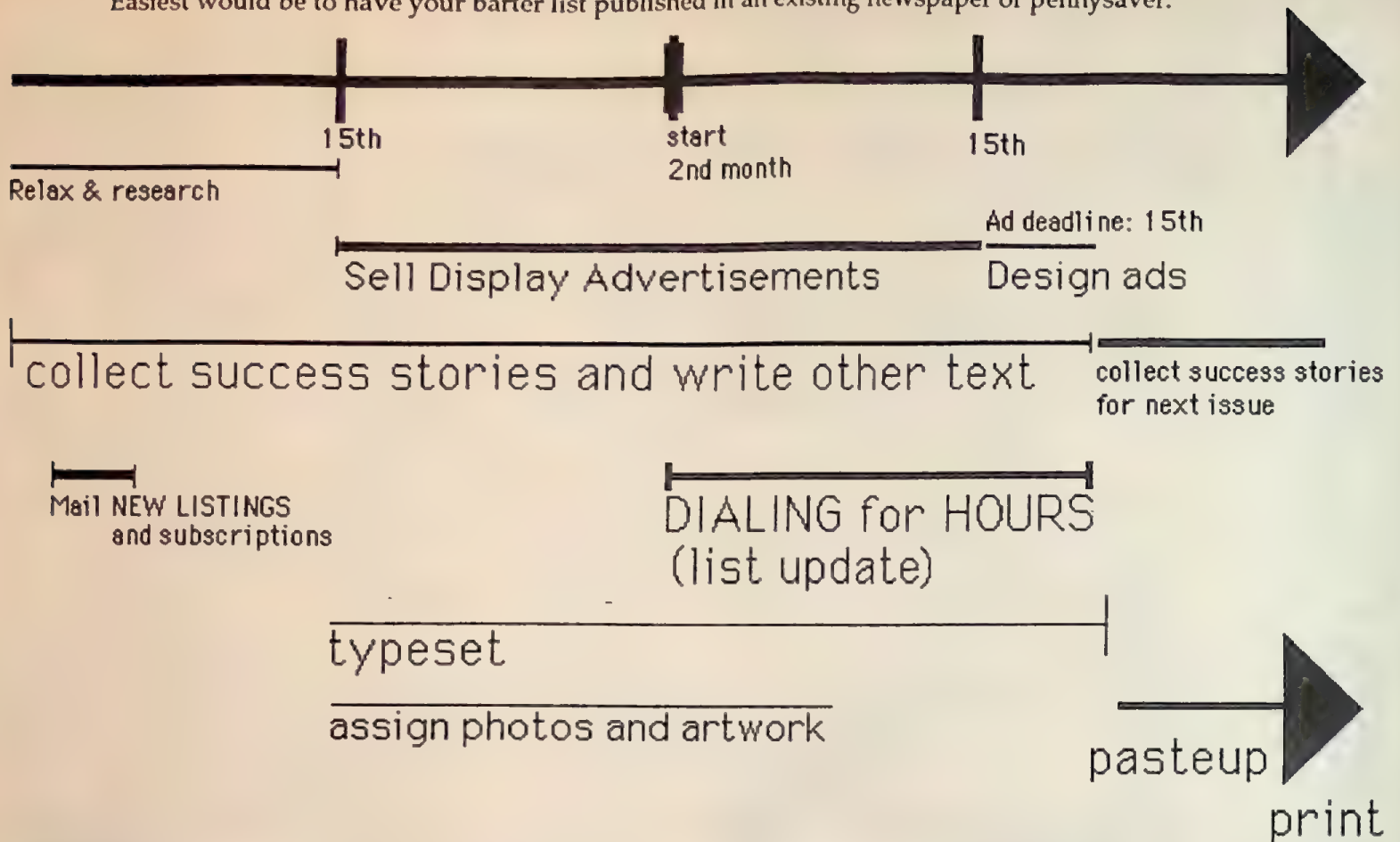
## The work shown is:

- ✦ Designing local currency and working with the printer.
- ✦ Maintaining and publishing the barter list, 4 to 6 times yearly. This means keeping the list accurate, working with volunteers to call participants, working with artists and writers and photographers, researching and writing articles about the local economy, selling ads, designing and distributing the newsletter.
- ✦ Disbursing the local currency and keeping accurate records.
- ✦ Hosting Barter Potlucks at which policy is made.
- ✦ Meeting with the Advisory Board.
- ✦ Giving media interviews and directing media to participants for comments about the system.
- ✦ Writing grants if necessary.



# Ithaca Money's Two-Month Production Cycle

We print six times yearly. You could print monthly, quarterly, semi-annually, as you prefer. Easiest would be to have your barter list published in an existing newspaper or pennysaver.



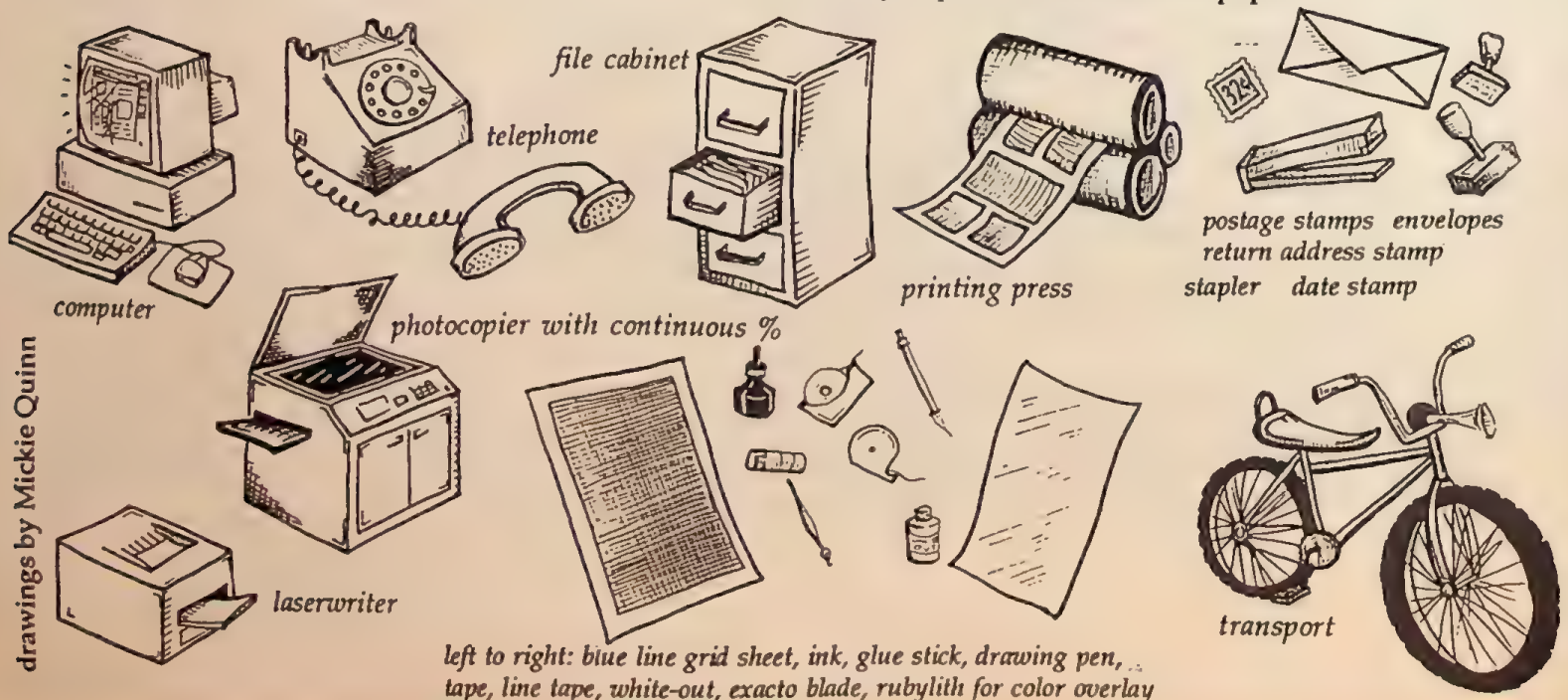
Retail Relations: 'How's it Going?' visits to retailers. Make PSLs for big HOUR earners.

DISTRIBUTION Re-supply from slow stacks to faster stacks. Keep stacks orderly.

Have fun!

## The Ithaca Money TOOLKIT:

These are tools you'll need to own or have use of, if you produce a barter newspaper.





# Hometown Money

## Step-by-Step

*The following procedures, on the next several pages, reflect Ithaca's experience and preferences.*

*We'd look forward to hearing from you about your experiences and questions, based on your personal and community priorities.*

1. **You might or might not start with a STEERING COMMITTEE**, but it's essential to have at least one organizer taking dynamic action. Some should be long-time residents, known for community service and financial integrity. We now have an Advisory Board (credit union manager, business consultant, co-op treasurer, social worker, carpenter, ad sales rep, university economist and others).

The Barter Potluck meets monthly, and consists of anyone on the list who attends. They're our governing body, and have produced good policy ideas.

2. **KEEP OVERHEAD LOW:** • Operate out of home or someone else's office.

• Get computer programs compatible with laserwriter. I use Macintosh's *WriteNow* for text, *Filemaker+* for barter listings, and *Superpaint* for money design. These allow an entire paper to be typeset (with laserwriter) for a few dollars. Backup your files. Keep a backup of the backup of the listings in a separate location.

• Enlarge or reduce graphics with good photocopies rather than expensive stats.

3. **DESIGN PROTOTYPES OF YOUR MONEY.** Good design means a lot, since economics is 95% psychology. To boost credibility, I suggest making the notes look remotely similar to dollars, but featuring local themes and landmarks, and signatures of prominent and respected (but not controversial) community residents. We used *Superpaint* for the frame and numbers. *WriteNow* text and art were pasted on.

By law your money must be sized and designed to avoid confusion with dollars. Denominations less than \$1.00 ("fractional currency") are prohibited.

4. **SIGN UP THE FIRST BARTERERS (AGREEMENT)** by showing them xerox samples of your money. Visit stores, union halls, farmer's markets, malls, unemployment offices, churches. Set up a table in parks.

**I began with friends**, saying, "lots of us are unemployed or underemployed. We've been waiting for a factory to come save us. When we answer a help wanted ad there are fifty people ahead of us in line. But this money and list will let us hire each other, to get what we need."

**And I said**, "the U.S. dollar is a junk bond issued by the world's greatest debtor. Dollars are no longer backed by gold or silver, but by government waste and failing banks. This Ithaca money will be real money, backed by real people and our time, skills and tools."

**Ask for \$1.00 or \$2.00** or any donation to help start-up costs. Tell them they'll each be paid a specified quantity (we paid 4 HOURS) of the local money when the barter list is printed.

**In larger cities**, membership in neighborhood, civic, youth gang or religious organizations might be a good requirement for participation, to build on existing trust.

5. **TYPE THE LIST**, when there are a few dozen individuals signed up, into *Filemaker+*, (or its PC equivalent), which ALPHABETIZES LISTINGS AUTOMATICALLY, and can also print the list by phone number, first name, last name, or the number of the issue in which given listings



A simple **SIGN-UP SHEET** like this is used for the first participants, then used for noting corrections, additions, deletions. We've compiled an e-mail list also, which has enabled us to have online discussions about system operation. All Sign-up Sheets and sign-up coupons (from the newspaper) are filed in chronological order.

## AGREEMENT

I agree to accept Ithaca HOURS as part or full payment for my goods and/or services.

My listing may be published in *Ithaca Money*.

SIGNATURE	Print NAME & ADDRESS	OFFERS	REQUESTS	PHONE • E-MAIL

Seeking to expand the business base of HOUR acceptance, we keep a priority list of businesses we'd like to connect to the system:

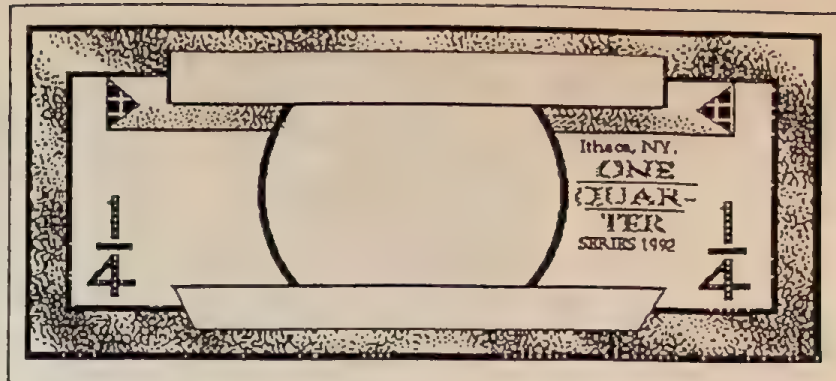
# PROSPECTS

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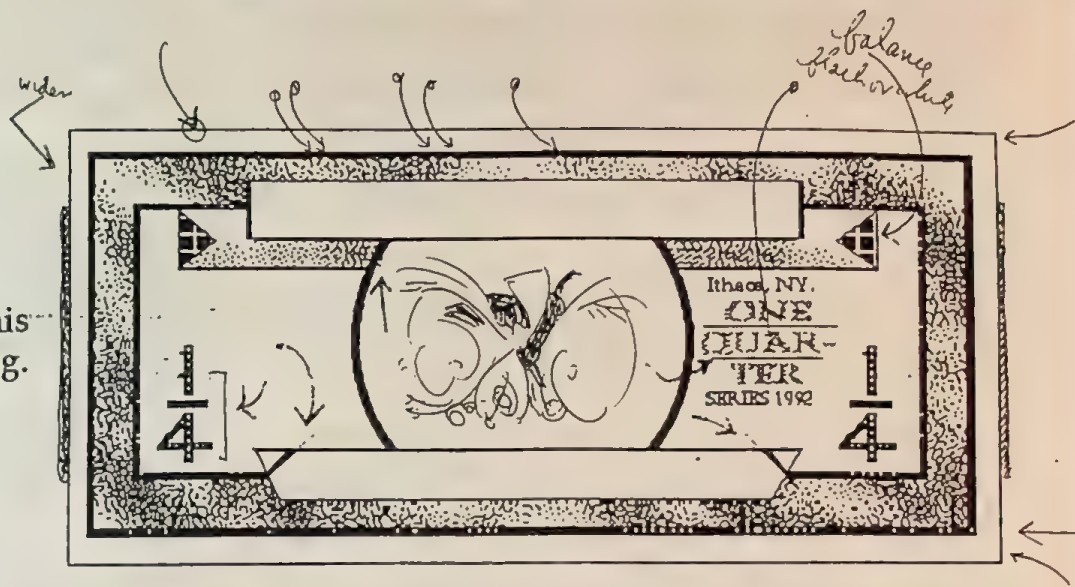


# Designing Money:

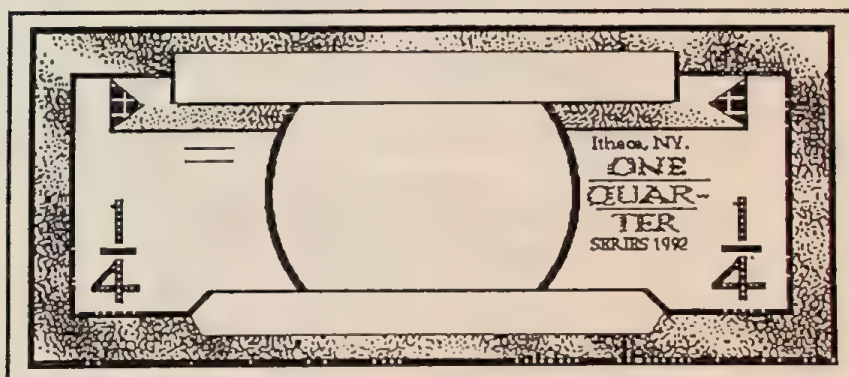
Notes can be entirely hand-drawn. In Ithaca we use a computer graphic program to design the frame. We want the note to have a dignified, easy-to-read, informal style.



Several stages like this at right, of fine tuning.



A completed frame. These samples are reduced size. Actual size should be roughly dollar-size, to fit easily into wallets without folding.



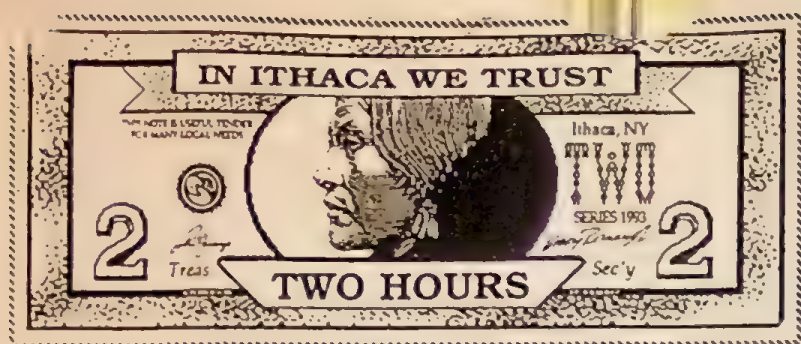
Then the central illustration is added. Some of ours have been drawn by local artists, some are found in old catalogs. This one is from a book of English woodcuts.



We added tone to this drawing, to acknowledge the several races of children in our community. Mottoes, signatures are added. HOURS in multilingual communities might have more than one language.







## New TWO HOUR Note Honors First Inhabitants of Ithaca Area

Ten thousand years ago, before Ithaca, this place was visited by small bands of Ice Age hunters tracking mastodon, mammoth, bison and elk. As the glaciers melted northward, the Cayuga valley filled up with water.

Five thousand years later, as the lake sank, the earliest Stone Age villages were built in our area. These people thrived on countless deer, turkey, fish, berries and acorns. They danced with flutes, under stars beside fires.

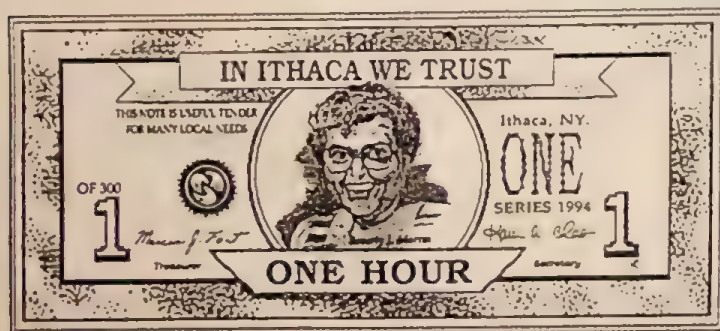
Over one thousand years ago, farming began with corn and beans. These folk built long bark houses south of the swamp we now occupy. Storytelling and jokes; sports; games, singing, dancing, trading and feasting were favorite pastimes, especially during the many planting and harvest gatherings. They worked together to cut wood and build.

Then five hundred years ago the Finger Lakes peoples united as the hau'de'nnon'sau'nee, or people of the longhouse. Their Great Law of Peace, as complex as our federal constitution, details the responsibilities of men, women, clans and tribes to each other and to nature.

Just 214 years ago George Washington ordered them destroyed. Their homes and crops were burned, their lands seized. Forests and fields have since become suburbs and shopping malls.

The Ithaca Two HOUR note honors these indigenous peoples whose descendants and spirit remain among us. Although their numbers were not great, there were enough of them to care for each other, while preserving the beauty of this land. Rebuilding balance between civilization and nature, though it may take another hundred years, begins with us.

—Paul Glover



## Beverly J. Martin Commemorative HOUR Supports BJM Scholarship Fund

Beverly J. Martin gave her lifetime to the people she was born among. Many years of work, as teacher and student, as teaching consultant, director of affirmative action and principal of Central Elementary School, brought her to such prominence that Central School was renamed Beverly J. Martin Elementary to honor her. The ICSD School Board did this because her "fairness, equity, moral integrity and personal leadership" inspired many students. Children at the school's ceremony presented her a quilt whose squares expressed racial, cultural and world harmony.

The front of the Martin HOUR features a portrait of Beverly J. Martin (by Jim Houghton), bordered by children at play, and local animals. The reverse shows Beverly J. Martin Elementary School (drawn by E. Neva Renaker), and the days of Kwanzaa. These HOURS are signed by Marcia Fort of GIAC, and by Karen Blas, Beverly Martin's niece.

By honoring Beverly Martin this way we honor everyone who works to create communities which help parents and teachers raise children well.

These One HOUR notes, authorized by the Barter Potluck, will buy one hour of services (or \$10.00 of goods) on the Ithaca Money list. One hundred of the notes will be available for purchase with dollar donations between \$10.00 and \$39.00. Another 50 will be sold as matted sets for donations of \$40.00-\$99.00. Those who donate \$100.00 or more will receive a framed set. The rest will be available for purchase at the HOUR Bank for One HOUR each, or by mail from Ithaca Money, Box 6578, Ithaca, NY 14851 (enclose One HOUR and large SASE).

The Martin HOUR is the only paper money in the United States to honor an African-American. Federal Reserve Notes (dollars) honor slave owners (Washington, Jefferson, Hamilton and Jackson).

Sales of this small edition of BJM commemorative HOURS will raise dollars and HOURS for the Beverly J. Martin Scholarship Fund established last year. The 5-color notes, priced at \$10.00 or more, are available at the HOUR Bank (Shoestring Books, by Ben & Jerry's) and at Alternatives Federal Credit Union (mail orders to BJM HOUR c/o AFCU, 301 W. State St. Ithaca, NY 14850).



## New Eighth HOUR Begins Circulation

The small change of Ithaca's local currency system (Eighth HOUR = 7.5 minutes or \$1.25) honors the small residents of the Cayuga Lake basin, whose work keeps us alive.

### On the Front

The spotted salamander, drawn by Steve Sierigk, is featured on the front. This amphibian lives 20-30 years, dwells in mouse burrows and rotted root holes, and breeds at wild pond orgies. Although seldom seen, *Ambystoma maculata* is one of the most abundant vertebrates in our region. According to Cornell's Kraig Adler, total salamanders-per-acre may weigh more here than all mammals combined. Yet, because of acid rain and suburbanization, the spotted salamander is on New York State's list of species at risk. They have disappeared from the Adirondacks.

Unless we solve the acid rain problem we could lose them here, says Adler. "We have a few years to clean up our water before the old-timers are all gone." He adds, "They're a very important link in the food chain. Without them there would be a large increase in the insect population."

At the same time, salamanders are easily destroyed when their migration routes or birth ponds are disturbed. "People wonder why there are salamanders sitting in their new driveways," says Adler. "That's because they've returned home to breed where their wetland used to be."

### On the Back

*Agathidium aristerium*, also known as "Mega-lefty" or the Smith Wood's beetle, is the pencil-point-sized bug on the reverse (drawn by Frances Fawcett) that has been found only in Smith Woods near Trumansburg. According to Quentin Wheeler of Cornell, who discovered it in 1986, Mega-lefty (for its big left claw) eats the blobby single-celled slime mold that eats the bacteria that eat the oystershell fungus that eats trees.

This rare little beetle is therefore one of the thousands of tiny species that, during the past millenia, have created the deep topsoil which today feeds the food we eat. Without Lefty and his pals we'd go hungry. Says Wheeler, "It's upsetting that people don't appreciate the natural decay cycle of the forest, which provides food for the next generations of trees."

Also featured on the reverse is a map of the Cayuga Lake basin, or watershed (shaded area). This boundary helps define our bioregion-- the area in which plants, animals, and climate are similar. The dot on the map is Ithaca.

### Buy Eighth HOURS at HOUR Bank (Shoestring Books)

Eighth HOURS cost One HOUR for eight, or a Half HOUR for four, Quarter HOUR for two, or \$1.25 each. Dollars raised from sale of these notes go to the Barter Potluck account, to pay printing costs.

### New Signatures

The Eighth HOUR and 1994 One HOUR notes are signed by Marcia Fort, director of GIAC and chairperson of CARE, the Coalition Against Racism in Employment; and by Dan Hoffman, president of GreenStar's council, and a co-founder of most of Ithaca's alternative institutions during the past 20 years. Thanks to Vicky Romanoff and Patrice Jennings for signing 1991-1993.



first appeared. Here's an example of what this looks like:

++	277-3780	Tom	Koslowski	drums from TOKO Imports: DM	1
++	277-3780	Tom	Koslowski	drum repair at TOKO Imports: DM	1
++	277-3853	Erica	Van Etten	carpentry	
++	277-3943	Deborah Doolittle	Doolittle	haircuts at Transformations	18
++	277-3965	David	Takacs	worms for composting	14
++	277-4085	Bill	Monroe	landscaping: shade gardens, maintenance: cert. nurseryman	3'
++	277-4126	Ellen Maranca	Maranca	food: pies: MOM'S PIES: □tofu-veg, chili-cheese: free deliv	2""

6. **TAKE THE LIST AND MONEY SAMPLES TO LOCAL STORES** and say, "There are so many people unemployed or underemployed around here that they have fewer dollars to shop with. So you maybe have goods selling slower, or unused capacity" (bowling alleys, restaurants, barber shops, movie theaters, etc.). "This new money gives local people spending power by helping us to employ each other. Some of this will be spent in your store. Then you can find things on the list that you need for your store or yourself. And because this money can only be used in our area, it keeps wealth in the local economy, where it can employ us again."

**Different types of businesses** have different abilities to accept local currency, depending on their dollar expenses. As they shift to local suppliers they'll be able to take more local money. While some businesses are immediately enthusiastic and will even give change in dollars and coin, others may be willing to start by taking a maximum one HOUR as part purchase, making no change in dollars.

**Extremely popular businesses** with high traffic (delis, for example) take a maximum 1/4 HOUR per purchase. Other shops take 1/2 HOUR, One HOUR, 2 HOURS, 3 HOURS per purchase, per person, or per restaurant table. A few very popular businesses have been taking HOURS for full price, but they have to be aggressive about making connections and spending.

**Generally, we recommend** that businesses start carefully, gradually expanding their acceptance of HOURS, rather than that they get scared by sudden piles of HOURS and drop out. **ASSURE THEM THAT THEY CONTROL THEIR STORE'S POLICY AND MAY CHANGE IT. THEY'RE IN TOTAL CONTROL** of how many HOURS they hold. Encourage them to spend HOURS as they receive them, to prove their value and keep them moving. They collect sales tax in dollars. They count HOURS at their dollar value, for tax purposes.

**The Ithaca HOUR was introduced** as worth whatever the merchant thought an hour of local labor should be worth. Most accepted our suggestion of \$10 per HOUR (the average of wages and salaries in our county), but a few said \$5.00, \$6.00 or \$8.00. Since the \$10.00 rate was soon widely accepted, we then declared it so for all. Most adjusted, but a couple resisted briefly. It would have been easier simply to introduce the HOUR as a \$10.00 note.

7. **PROVIDE A PHONE NUMBER** (and e-mail address) so people can call in corrections, additions, deletions, questions, suggestions, comments.

8. **WRITE AND TYPESET YOUR FIRST BARTER NEWSPAPER.** Choice of words is very important. Eventual difficulties or adjustments should be honestly described in a constructive, positive manner. We now rely on Success Stories to encourage wider acceptance of the HOUR.

**It's important to make clear** that those on the list will initially get the most benefit by direct bartering, mixing goods and services, HOURS and dollars. Gradually, as more HOURS per capita are available (through 8-month bonus payments), larger purchases can be made with HOURS. Encourage any who think they should drop off the list because no one has called them.

**You're welcome to reprint articles** and illustrations from this book, if you're publishing an HOUR newspaper. Otherwise please ask permission. Please credit.

## Ithaca HOUR 100% Club

has welcomed Ithacans to pay 100% HOURS for

Please provide as generously as you can.

Those who accept  
HOURS for full price  
get a 100% Club card,  
to help them spend  
HOURS faster.



## AD SALES Issue Number —

AD SALES Issue Number —

[illegible]



# Five Months in the Life of an HOUR

an actual Ithaca HOUR trading path

by Houghton/Glover





## WHAT TO DO WHEN A COUPON COMES IN THE MAIL

- **CALL SENDER** to verify phone number.
- **ASK THEM ABOUT THE OFFER/S.**  
Clarify (what kind/s of bread, price per loaf; what kind of massage, price per session, etc.)
- **IF THEY'RE OFFERING ONE-TIME GOOD/S** (refrigerator, futon, blender, etc.)  
get details of brand name, condition, and price in HOURS.
- **ASK CASUALLY WHETHER THEY EXPECT TO BE IN ITHACA FOR AT LEAST A YEAR.**  
IF YES: "Welcome to the Ithaca Time Zone. We'll be sending you some local cash, and more background information."  
IF NO: tell them we welcome their listing, but that we ask people intend to live in the Ithaca area at least one year before accepting a signup payment. We'll send them some information about how to find work for HOURS, and wish them good luck.
- **IF PHONE DOESN'T ANSWER**, do not leave a message on machine.
- **IF AFTER SEVERAL CALLS WITH NO ANSWER**, at different times of day, leave a message on machine asking to be called. If no return call (or if no message machine), file coupon among paperclipped DORMANT coupons in Payment drawer.
- **DISBURSE HOURS**
  - One HOUR if offer not on priority list (to right of coupon on back page)
  - One HOUR if renewal bonus (every four issues) for offers not on priority list.
  - Two HOURS if offers on priority list. (First priority bonus is 4 HOURS)
  - Two HOURS if second or subsequent bonus on priority list.
  - Two HOURS if nonpriority signup or bonus payment at a Potluck.
  - Three HOURS if priority signup or priority renewal bonus at a Potluck (2 + 1 HR Potluck bonus).
  - Four HOURS if first renewal bonus on priority list.
  - Five HOURS if first renewal bonus on priority list at a Potluck (4 + 1 HR Potluck bonus).
  - Issue as many HOUR denominations to each person as possible (One HOUR = Half + Quarter + 2 Eighths), so they can see as many actual notes as possible. If issuing 3 or more HOURS, include a Beverly J. Martin commemorative.
- **ON DISBURSEMENT SHEET**, write serial numbers, total HOURS, name, phone.
- Stamp the DATE OF ISSUE on back of each note (lower left).
- Stamp the DATE OF ISSUE on coupon. Write in the number of HOURS paid.
- **PUT HOURS IN ADDRESSED ENVELOPE**, inside folded "Here Are Your HOURS" sheet.  
If One HOUR paid, use "Here is Your HOUR" sheet, with return address on envelope.  
These are found in the computer as "Payment," and the months (June-July, August-September, etc.) are changed for each issue. Xerox about fifteen copies.
- Write the NUMBER OF HOURS OF THE NEXT RENEWAL BONUS PAYMENT due them when they've been listed in Ithaca Money four issues, in space provided.
- Write the ITHACA MONEY ISSUE NUMBER when this payment is due, in space provided.
- **INCLUDE "FINDING HOUR WORK"** sheet (cartoon side facing up).
- **INCLUDE yellow "HOURS ACCEPTED"** sign behind the HOUR notes.
- **INCLUDE SHEET SHOWING HOURS AND THEIR \$\$ VALUE**, if a storefront business. This is a reference sheet for clerks.
- **SEAL ENVELOPE, STAMP, MAIL.**
- **THEN PUT COUPON ON NEW LISTINGS/CHANGES CLIPBOARD.**
- **PUT E-MAIL ADDRESS (if any) on E-MAIL/LOCAL SHEET** for later transfer to computer text file  
E-MAIL HOURS USERS. Enter each e-mail address for this file in parentheses (this sends messages to each addressee without all addresses appearing in message header).
- **IF OFFER IS A STOREFRONT BUSINESS**, put their name and address on the  
NEW LISTINGS MAILING LIST clipboard. They'll receive mailings showing the latest listings.
- **ENTER COUPON INFORMATION INTO ALPHALIST** (Filemaker) file, for next issue of ITHACA MONEY, soon before paste-up.
  - Find and replace +++ (three pluses) from prior ALPHALIST (under EDIT menu) Replace with ++ (two pluses).
  - Enter new listings (Function N)
  - ENTER +++ (triple plus means listing is new, appearing for the first time)
  - OFFER: (keyword first: descriptive info: business name: e-mail if any)
  - NAME: (first name, and last name if checked yes on coupon)
  - PHONE NUMBER
  - LAST NAME: (for all coupons; this doesn't show in newspaper)
  - ISSUE NUMBER: (the Ithaca Money issue number in which their listing/s will first appear).  
One-time goods, like stove or car, have a G here instead of a number.
- **BACK UP ALPHALIST TWICE, PUT ONE COPY IN ANOTHER HOUSE**
- **AFTER COUPONS ARE ENTERED**, store them in manila folders, by issue number.



**YOU MIGHT PREFER TO HAVE YOUR LIST PUBLISHED BY  
AN EXISTING PENNYSAVER OR WEEKLY:**

**Pennysavers already have publishing experience, advertisers, and distribution routes.** The Valley Dollars list, for Greenfield, MA., for example, has been distributed as an insert. This can boost the pennysaver's circulation, and makes your work much easier.

**KEEP BARTER RULES FEW AND SIMPLE.** Although there is plenty for coordinators to do, the list must be easy for the general public to use.

If you use Macintosh, Translate Filemaker+ listings into Writenow:

Make Filemaker+ OUTPUT FILE of listings, then translate OUTPUT to WriteNow. Then arrange listings as you want them laser-printed.

I set them 4.81" wide, 9 point Palatino on 10 point fixed leading.

Alphabet lines (A A A A A A A) are 12 point Bookman bold on flexible leading.



**9. DESIGN YOUR NEWSPAPER.**

If you do not use Pagemaker, use blue-line "tabloid" pasteup pages (11"x17" sheet, 10"x16" printing area) from your printer or local newspaper or art supply store. Use only solid black line or red line images on white paper (text and graphics). Paste on with glue stick or waxer.

Leave space for advertising. Show clean xerox pages of these pages to potential advertisers.

**10. SELL ADVERTISEMENTS.** Our paper is 5,000 copies distributed free. *Ithaca Money's* ad prices are \$400 full page, \$200 half page, \$100 quarter page, \$55 eighth page, \$30 sixteenth, and \$20 card (1/24th). Accept part payment with your own money (\$80 + 2 HOURS for quarter page, etc.). Negotiate. We're now able to accept full payment with HOURS.. We can tell advertisers that many *Ithaca Money* readers keep the paper beside their phone book as a second directory, so their ads are noticed during two months, rather than thrown away daily or weekly.

**11. PRINT YOUR MONEY.** The *Ithaca HOUR* and *Half HOUR* were printed three per page ("3-up" the printer says) on 8.5"x11" seventy-pound tinted recycled paper (500 uncut sheets weigh 70 pounds), the kind with little flecks in it, using soybean ink.

**Our first printing of HOURS** was with larger notes, to dramatize that HOURS are substantial, and to make them easy to read. Further printings are of smaller wallet-size notes, like our Quarter HOUR, at 75% the original HOUR size. Wallet-sized notes are likelier to be carried and used. They are printed "6-up" on 8.5x11" paper. When the notes are cut apart from the larger sheet, flip through them to remove misprints (blurred, too light or dark, etc.).

**To discourage counterfeiting,** HOURS were trimmed to a nonstandard size and serial numbers added, stamped deep so they can be felt by hand. A color overlay is also important. The more colors the better. We've begun to use a thermal ink (Dyna-Color, (607) 266-8045) which vanishes briefly when touched or xeroxed (1995 Quarter HOUR, pink spots on reverse).

**Our Two HOUR is made** of locally-crafted 100% cattail (marsh reeds), and includes the ITHACA HOUR watermark (IH crossed). This paper would be harder to fabricate than dollar paper. You probably have local papercrafters too. Any such paper should be made from original rather than recycled fibers, to retain "wet strength." And samples should be tested by your printer to make sure they go through the press satisfactorily. Put your preferred paper through a washing machine test to make sure they'll survive washing.

**We have not had trouble** with counterfeiting yet. Someone well enough established in the community to be able easily to spend many HOURS is less likely to risk their community standing by counterfeiting. Someone who just wants to rip off the community is less likely to know the community well enough to be able to easily spend lots of HOURS. In a small



THIS ENFOLDS THE  
HOURS ISSUED  
AND MAILED:

# Here are Your *Ithaca HOURS,*

payment for your agreement  
to accept HOURS for your goods and services.

Your listings will appear in the October-November  
issue of *Ithaca Money*, and all thereafter.

By accepting these HOURS you're also agreeing to  
keep your listings and phone number up-to-date,  
by calling *Ithaca Money* at 273-8025 or IthacaHOUR@aol.com

**The HOUR** is Ithaca's \$10.00 bill

**The Half HOUR** is Ithaca's \$5.00 bill

**The Quarter HOUR** is Ithaca's \$2.50 note

**The Eighth HOUR** is Ithaca's \$1.25 note

**The Two HOUR** is Ithaca's \$20.00 bill

When you've been on the list for eight months (four issues of *Ithaca Money*),  
**you may receive a renewal bonus of \_\_\_ HOURS by mailing the coupon again.**  
You can get this bonus when issue number \_\_\_ is published.

Your participation allows us to make grants of HOURS to community organizations, totalling  
9.5% of all HOURS issued to people like you. Decisions about grants, loans, and issuance of  
HOURS are made at the Barter Potlucks, by any participants present.

**Barter Potlucks are 15th of each month,**  
6-8 pm at GreenStar Co-op, 701 W. Buffalo St.

We are gradually and carefully expanding the supply of Ithaca HOURS.  
During these early years of HOUR use, much of your barter income  
will come from calling others and offering to swap goods and services.

Tell your friends you accept HOURS, and mention HOURS in other advertising you may do.  
We're intending to open an HOUR store, where your goods and services can be displayed.

Barter income of professional goods and services is taxable at fair market value.  
Nonprofessional barter income, as between family, friends and neighbors, is not taxed.

## Welcome to the "Ithaca Time Zone!"

HOUR change can be made at the HOUR Bank: Autumn Leaves Used Books (on Commons)

Worn or torn notes can be exchanged at the HOUR Bank also.

**Please call us if you have any suggestions or questions.**



# **Here's how to introduce your favorite business to HOURS:**

You've got some HOURS and you'd like to spend them with a locally-owned business. Tell them that:

## **HOURS are an Easy, no-risk promotion for your business:**

The 350 businesses accepting Ithaca HOURS (worth \$10.00 each) get increased sales and loyalty from customers who earn HOURS. HOURS are local money, dedicated to local commerce. 6,000 HOURS (\$60,000) have been gradually and carefully issued since 1991, trading \$2,000,000 value. HOURS increase consumer confidence and spending power.

## **You're in total control of how many HOURS you accept:**

Some shops take HOURS as 100% of the price for goods and services. Some take HOURS as 25% or 50%; others 3 HOURS maximum per purchase, 2 HOURS max, 1 HOUR max, 1/2 HOUR max, 1/4 HOUR max.

We recommend you start accepting HOURS as a small part of the purchase, so that HOURS are earned gradually. You can change this rate at any time.

Most HOURS businesses have expanded their rate.

## **No risk:**

Just spend HOURS as you receive them.

Some have earned and spent hundreds of HOURS (thousands of dollars). *Hour Town* is ready to help you connect to spend them, at no extra charge.

## **Easy accounting:**

No special accounting is required. HOURS can be held in petty cash (as "undeposited funds") or bought from your register with personal cash/check, to be carried in your wallet for personal and business uses. Each HOURS is taxable as \$10.00 income. Collect sales tax in dollars.

## **They're legal:**

HOURS have been cleared by the IRS, Federal Reserve Board, Treasury Department, Secret Service and FBI. During the Great Depression, 400 communities printed their own money. Counterfeiting of HOURS would be punishable as felony forgery, by up to seven years in jail.

## **They're easy to spend:**

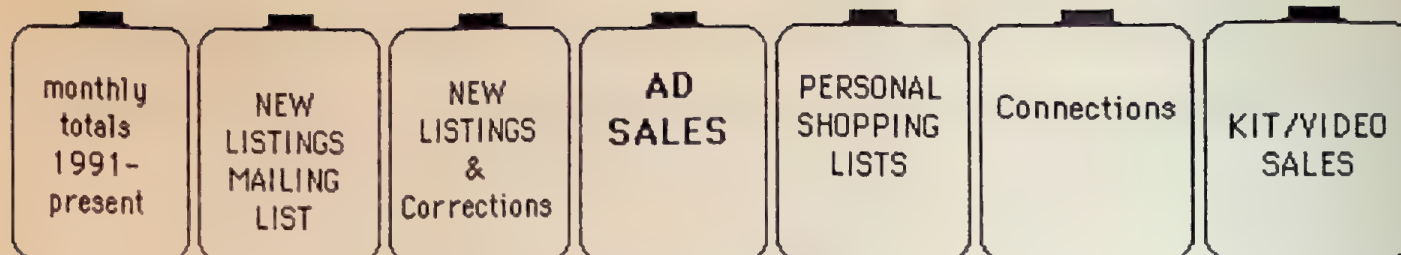
Thousands of goods and over 300 services can be purchased with HOURS.

## **And they're famous!**

Ithaca HOURS have been featured by most major national media. We bring them to participating stores for interviews.

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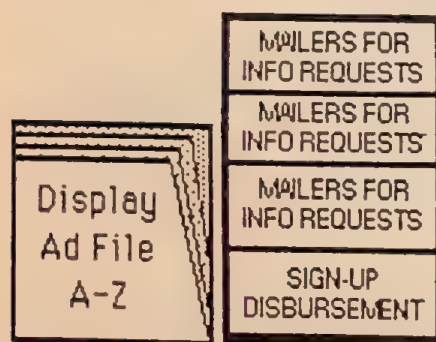
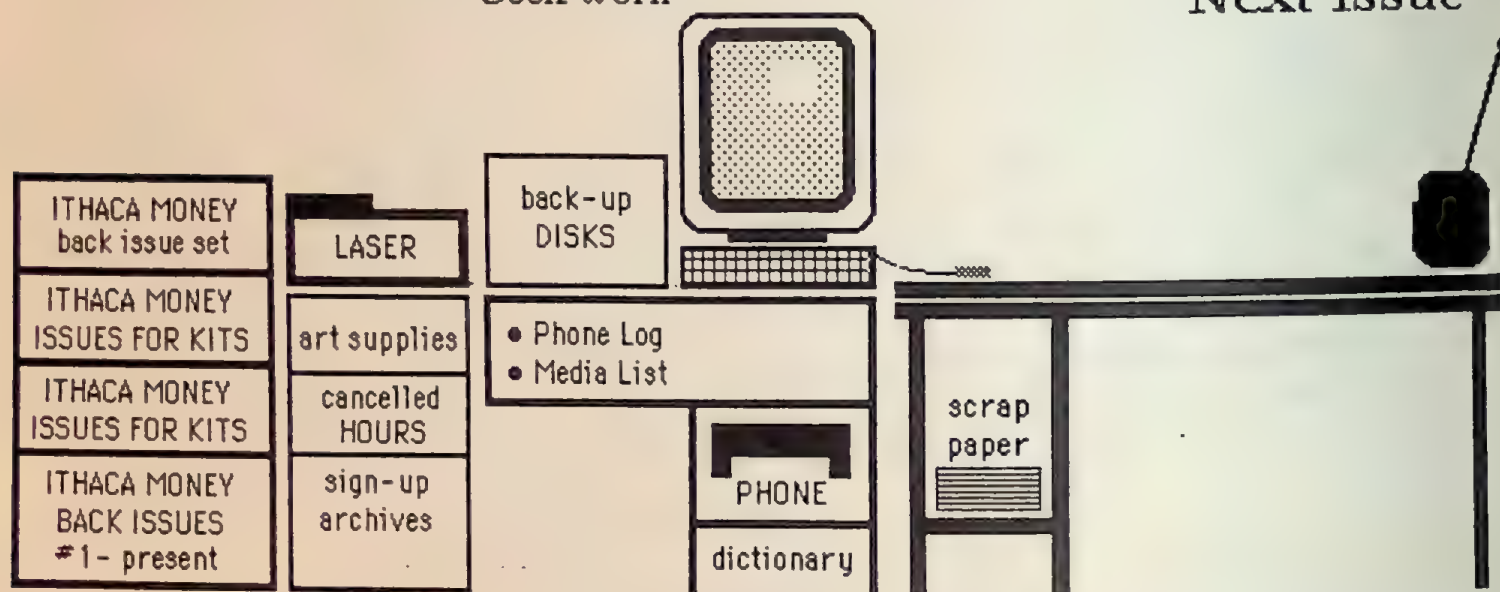
# BULLETIN BOARD: To Do!

Misc.

Sign Up  
Need Help  
Seek work

Brainstorms

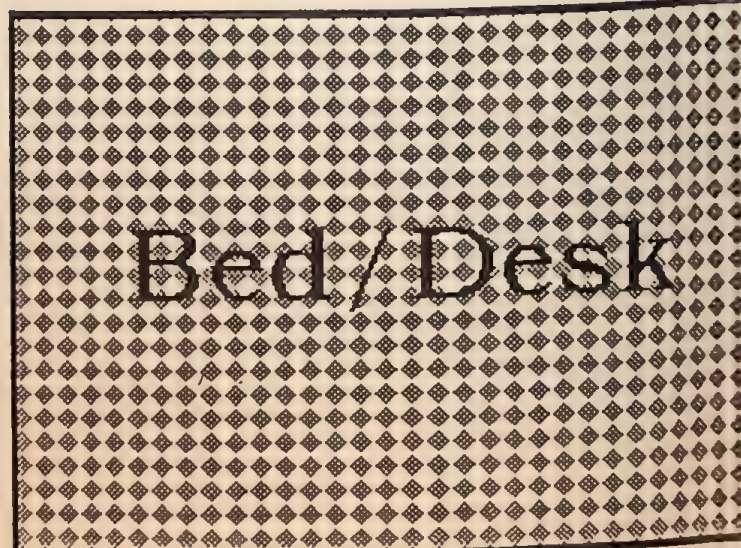
Next Issue



misc.	current use	To Complete
	Archives 1996 Book	To Be Filed
	Archives 91-95 Tax info 91-95	
	INFO files & Personal	

bumper stickers  
VIDEOS

KIT BOX  
books  
flyers  
HRS  
book originals



recycle

trash  
X

File Cabinets



community, the paper trail of counterfeit spending could be more readily traced back to its origin. But as the system expands and the HOUR's utility enlarges, it's an important precaution. Moreover, our District Attorney has ruled that counterfeiting HOURS would be a second degree felony in New York State--forgery of a financial instrument-- punishable by 2.3 to 7 years in jail.

**12. ADD SERIAL NUMBERS.** Serial numbers convert printed paper into money. It would be best if stamping of serial numbers could be witnessed. Use a different color ink than printed the HOUR. Our Two HOUR note has matching red serial numbers front and back. We recommend small numbers (0502 rather than 0000502), so that participants are reassured that there are finite quantities of HOURS issued.

**13. PRINT YOUR NEWSPAPER.** Daily papers often have rotary offset presses. This is the cheapest way to get 1,000 or more copies, and a lot of space for revenue-generating display ads and listings. Ask around and compare prices. Our 5,000 copies of an 8-page tabloid (11x17) with an extra color cost \$315 including tax. We're now at 12 pages plus color for \$443. We planted five trees for each edition, to replace trees cut, until finding recycled newsprint. Next step is kenaf (African reed) newsprint.

**14. MAIL THE MONEY with a copy of the first issue** to those on your first published list. We initially paid a total four HOURS to everyone who signed up. Since the Ithaca HOUR is valued at \$10.00, this is \$40.00 buying power per person. Whatever your denominations, pay enough to allow small but notable purchases. Issue at least one of each denomination to each person, so they know what real HOURS look like.

**Again, each serial number** for each denomination is entered on the DISBURSEMENT SHEET, with the name of the person who receives the notes. This is your record for internal audit, and is available for review by participants. Your books must be open and accurate, so that as the system grows, all notes can be accounted for. Therefore it would be best to computerize disbursements. *The strength of local currency is fair and honest disbursement.*

**As the list gets longer,** we've offered an additional two HOURS bonus payment for each 8-month cycle, when someone has been on the list another four issues. They get this payment at their option when they send in the coupon. After two years, when a good supply of HOURS had been issued, we began paying two HOURS upon first signup, then four HOURS for first bonus. This makes the four HOUR payment more of a reward for good faith participation and for keeping phone number and listings current.

**We pay a bonus** of one HOUR to each person who signs up or re-cycles at a Barter Potluck (not to those who merely attend), because face-to-face meeting strengthens the list.

**WE NEVER DROP SOMEONE FROM THE LIST** FOR NOT SENDING IN THE COUPON EVERY EIGHT MONTHS. ONCE ENROLLED ON THE LIST AND PAID HOURS, THEY BECOME THE BACKING FOR HOURS AND REMAIN AS LONG AS THEY ARE WILLING.

**We began issuing serial numbers** in the middle range. Starting with 0001 would suggest that the first recipients are brave pioneers in an experiment, rather than part of a secure process well under way. We rubber stamp the date of issue on back of each note, changing the color of the stamp monthly. This color code is another counterfeit detector.

**Your friends will probably joke,** "Printed your own money? I bet you swipe a few for yourself." This is their joke, not yours. Offer amiably to show them the disbursement sheets. I allocated myself a 40-HOUR founder's fee (paid at 10 HRS per month), announced in the first issue of *Ithaca Money*, to deflate speculation about theft. The more HOURS people acquire, the more concerned they'll be about the HOUR's security, integrity and utility. Handle HOURS like dollars. Most HOURS, before disbursement, are kept in a strongbox at our credit union.

**Misprinted notes and duplicate serial numbers** should be destroyed, then listed on disbursement sheet as destroyed, with serial number ripped off and retained as receipts, in numerical order. Any participant may ask to see these disbursement sheets.



## Disbursements of Ithaca HOURS

# New\_\_\_\_ # Renew\_\_\_\_ New HRS\_\_\_\_ Renew HRS\_\_\_\_ Grant HRS\_\_\_\_ System HRS\_\_\_\_

GRAND TOTAL SIGNUPS to-date \_\_\_\_\_ GRAND TOTAL HOURS ISSUED to-date \_\_\_\_\_



15. **ALLOW A COUPLE DAYS FOR LISTEES TO RECEIVE THEIR MAIL.** Make or buy boxes or metal racks in which the newspaper will be placed. Deliver the "We Accept HOURS" signs to stores.

16. **DISTRIBUTE THE STACKS OF THE NEWSPAPERS** for free pickup, at stores, churches, laundromats, farmer's markets, community centers and events. Places of distribution define likeliest participants. This also defines your currency's range. How far do you prefer your bioregion's economy extend? We pay HOURS to people who live and/or work within a 20-mile radius around Ithaca, NY.-- the Ithaca Time Zone.

17. **CONTACT THE MEDIA:** newspapers, radio, TV, newsletters. Visit them personally with a press release, samples of money and paper, and ask to be interviewed.

*Your money is news whenever:*

- a new denomination is issued
- 250, 500 or 1,000 participants have signed up
- total \$10K or \$20K face value has been issued
- grants are made or received.
- system has an anniversary

18. **VISIT YOUR NEWSPAPER STACKS** as often as possible. They can soon get messed up and covered with other papers. Move some from slower stacks to stacks whose copies are rapidly taken.

19. **SIGN UP MORE BARTERERS:** personally and at your barter potlucks, via bartermat machines (decorated boxes at popular stores, or public computer barter terminals) and by mail as before. As the system's popularity grows, you'll be able to rely mainly on coupons for new listings. We call up people who send in the coupon, asking details about their skills, and whether they have a "reasonable expectation" to live here for at least a year. Coupons are kept, in chronological order, as receipts for HOURS issued. We don't distribute *Ithaca Money* on campus, because students move around so much and soon enough leave town. They and everyone else are welcome to earn and spend HOURS though, without being listed.

**When mailing HOURS**, we enfold them in an introductory page (see *Here Are Your HOURS*). We include as well a copy of "Finding HOUR Work," so they can get work without waiting to be called. We also enclose a store/window card (*We Accept HOURS*).

20. **PROVIDE AN HOUR BANK** where people can make HOUR change (larger or smaller denominations) and where they can replace worn, torn, washed or chewed notes for fresh ones.

21. **PROMOTE LOANS AND GRANTS**, to get more notes in circulation. Small monthly grants to community organizations aren't inflationary, if total of all grants is kept at 5-10% of total HOURS issued. We began making loans to people who had a track record of earning lots of HOURS, then made a couple riskier loans. Our philosophy is not to charge interest on loans. This is another way we're distinct from the dollar system.

**Invite community organizations** to send letters requesting grants of HOURS. They need only mention goods and services from the list that they could use. When delivering a grant, in person, get a receipt signed and give them a **GRANT DISBURSEMENT** sheet. This is their record of how they spent HOURS, which is submitted for consideration for another grant.

**Our monthly BARTER POTLUCKS** make decisions about grants, loans, printing of money and rate of issue. They act as a Municipal Reserve Board (our local version of the Federal Reserve Board). Anyone on the list may vote. We also have an **ADVISORY BOARD** which suggests policy changes to the less formal potlucks.

22. **BALANCE THE LIST.** It is a priority to bring several popular stores into the list early, so that a few stores are not overrun. While the list promotes the skills of individuals and

## More locals are cashing in on Ithaca Money

By FRANKLIN CRAWFORD  
Journal Staff

The popularity of Ithaca Money continues to grow as the alternative cash system has the one-year mark.

More than 500 local people have signed up to offer or request services during Ithaca Money's first year, says Paul Glover, one of Ithaca Money's founders, compared to 240 members in January. In addition, he says, at least 40 retailers are now accepting the system's currency for goods and services.

Ithaca Money is the name of Glover's monthly publication, which lists the names of members and their offers or requests. Glover calls it a "barter opportunity list" — a list of legal acts which distinguishes Ithaca Money from a straight barter system.

Unlike barter, which is a direct swap between two people, the Ithaca Money system uses paper currency called Ithaca HOURS to exchange for goods and services.

"It's primarily still a barter system," Glover says. "But the more businesses people call each



"... the most benefit is obtained when people call each other offering trades. The currency is a dramatic and useful component of the barter system."

— Paul Glover, Ithaca Money

turn around and hire another member to teach his child piano and "pay" with HOURS for the lessons.

(Ithaca HOURS are considered taxable income, just like barter transactions between professionals, Glover says.)

It's up to members to determine what their skills are worth per hour, Glover says. It costs \$1 to get listed on Ithaca Money, and new members receive four Ithaca HOURS — \$40 worth of Ithaca cash — for joining.

If members are listed in four consecutive issues of Ithaca Money, they

labor and landscaping skills.

"It's definitely an asset to our personal economy as well as our local economy," says Bill. "It's like good to be trading with your neighbors. It kind of makes Ithaca a town economy."

HOURS bills, issued in quarter, half and full hour denominations, are printed on recycled paper with color overlays and customized serial numbers.

Each one-hour bill is worth \$10; a half-hour is valued at \$5 and the quarter hour is worth \$2.50. The Ithaca HOUR "rate" is based on figures

September. Scott Hamilton gave his response about participating.

"We've used the HOUR at the Farmers Market for produce and other things," he says. The Hamiltons intend to request cleaning and labor services for their building.

Ithaca Money also makes grants to local small businesses and human services organizations. Ithaca Paper Cents recently received its second loan from Ithaca Money.

Glover has printed 2,750 Ithaca HOURS, or \$27,500 worth. A \$950 grant from Eric & Jerry's will allow Glover to print more bills on paper made in Ithaca.

"The paper is made from local cotton (mushy stuff)," says Glover. "It's a beautiful brown and supple paper."

Glover says the new Ithaca HOURS will be watermarked "for more authenticity and to secure it from counterfeiting."

The Ithaca Money system has captured the interest of dozens of other communities across the country. In response, Glover crossed the Home-



People who earn lots of HOURS, or on a regular basis, are provided a personalized shopping list, after reading them the list.  
Those who have prominent retail businesses or who offer plumbing, carpentry or electrical work are automatically offered this service.

## Personal Shopping Lists

Name	Phone	Business	date	issue #

New Listings from each issue are mailed to people who earn lots of HOURS.  
We also have a large e-mail list of participants, so we can send this list to hundreds of people, at a cost of about five cents.

## NEW LISTINGS

ITHACA MONEY #19 • OCT-NOV 1994

AFRICAN crafts: sculptures, jewelry, paintings  
BACKHOE RENTAL  
bicycle repair: Cayuga Mountain Bike Shop  
bookkeeping and payroll  
books: new: Bookery II: max 1/4 HR. w/ min \$10 purch  
BULLDOZER RENTAL  
BUTTON MAKING MACHINE RENTAL  
BUTTONS for your organization or cause  
CAR REPAIR : 10 yrs exp  
CARPENTRY

Olivia Armstrong 687-1610  
Roger Beck 838-3325  
Steve & Mark 277-6821  
Shelly 347-4988  
Dean  
Roger Beck 838-3325  
John 838-3325

When someone with HOURS says they need something that's not yet on the Ithaca Money list, we take note and make a priority of locating help for them:

## CONNECTIONS TO MAKE

CALL THIS PERSON	at phone#	who offers	ON BEHALF OF



cottage industries, the amount of currency circulating is limited by the capability of prominent businesses to accept it, because that's where many HOURS are first spent.

**To prevent any given store** from earning or hoarding too many HOURS, we suggest to popular stores that they limit HOUR acceptance to a maximum one HOUR purchase, at least initially. In some cases, a Half HOUR or Quarter HOUR maximum is better.

**Make a list of locally-owned businesses** who can help diversify your HOUR list (PROSPECTS). Collect business cards.

**Exotic services** like Indonesian lessons, singing telegrams and soul reading may need a boost to be noticed. Spotlight them with articles and graphics. However, if you find that 2% of HOUR payments are to math tutors, you might consider a TEMPORARY HOLD on additional math tutors, to give each tutor a reasonable chance to be called. On the other hand, child care may be so needed that 5% child care offers aren't excessive.

**Such policies as these** speed or slow the rate of HOUR issuance, according to the community's perceived capacity to spend them. We listen to the prominent retailers and service providers (like restaurants, movie theaters, banks, plumbers, carpenters, electricians, etc.), to hear how well they're spending the money they get. Then the Potluck (acting as a "Municipal Reserve Board") crafts policy to match the need and capacity. During the first four months of HOUR use, for example, we issued 4 HOURS to anyone who signed up, for anything. Then we placed the holds on certain categories. Then we published a PRIORITY LIST of offers that we'd pay 4 HOURS for, without paying other offers. Then we paid these priority offers 2 HOURS, followed by a 4-HOUR payment after 8 months, followed by 2-HOUR payments every additional 8 months. Then we began paying One HOUR for all offers not on the priority list. Disbursement policy should be reasonable, and clearly stated in your paper.

**The newspaper also has a lot of power** to speed or slow the rate of currency issue, by its political tone, its clarity of presentation, its emphasis on bonus payments, etc.

**Food is the foundation** of the bioregional economy, so local-serving organic farmers are heroes. The more the better. Our farmers have hired local farm labor with HOURS. Many of these farm workers are refugees from the \$4.50/hour retail sector, and some receive the highest common farm labor wages in the world (\$10.00 spending power per HOUR). Other small farmers themselves earn minimum wage for their hard work, so can't pay a full HOUR per hour. We acknowledge and respect this. We're evolving toward fair pay, not decreeing it.

**As the newspaper publisher/s** you'll earn many HOURS through display ad sales, so you'll have a good opportunity to spend HOURS among those least likely to get called. Better to employ these folks than overload restaurants and movies. Spread yours as widely as possible, to enliven more people. We encourage diversified spending (exploring the community) as an important way to spread the money. Every time an HOUR is spent in a new way it becomes stronger, as by the flexing of a muscle.

**23. KEEP MAJOR HOUR EARNERS SATISFIED.** When businesses sign up offering something very popular, like movies or videos or restaurant meals, ask the owners what they would want to barter for and try to get these on the list (see CONNECTIONS). These owners need to be able to spend a lot of local money, because they will likely get it. They give stature and credibility to our money, and it's urgent to balance their offer with exactly what they need. I've even found people to go shopping for some of these retailers, both to keep them happy and to return the HOURS to the circulation.

**We've found that retailers participate in a range of styles:**

- Aggressively enthusiastic about HOURS, making new connections to use them, spending thousands of dollars value, accepting them at 100% of price, preferring HOURS to dollars, making HOURS a major part of their business promotion and personal income.

- Enthusiastic about HOURS, earning lots of HOURS, needing initial help to spend them, then spending easily and independently.

- Supportive of HOURS, needing ongoing help to spend them.

- Supportive of HOURS but being "too busy" to spend them. Their HOURS pile up and



*Before every issue, we call many of the people on the list, to make sure their phone numbers and offers are correct. The following sheet is provided to the phone callers:*

# Dialing for HOURS

Please call those I've marked with a dash (---) before their listing/s.

We assume they will continue to be listed, and are not asking this.

**We're just checking in to verify  
phone numbers and listings.**

If someone is no longer available, please note the reason  
(phone number is not correct & no new number, moved away, etc.).

If someone says to omit them because "hardly anybody has called," reassure them that it sometimes takes a while, but they'll get called. And their goods or services can be displayed in the Local Talent store when we reopen.

If someone volunteers that they've had particularly good experience, or any problems, please note this so I can call them.

If someone asks when they're eligible for the 2 HOUR renewal payment, invite them to call Margaret McCasland at

Please have the listings and notes returned to me by

20.

They can be delivered to GreenStar's member stuff box or to  
203 College Avenue, or I can pick up at your house  
if you live downtown Ithaca.

Pay is One HOUR per hour.

I'll reimburse with \$\$ for any zone calls you make.

Paul Glover 272-4330



they're not concerned until they decide they need urgent help spending.

- **Accept HOURS** but are less clear about their role. Very concerned to have accepted even a few HOURS and don't know what to do with them. We tell them they're rich, and then prove it, by creating a **PERSONAL SHOPPING LIST** for them. The PSL can be made in person or by phone, by reading the entire list as fast as possible, checking those listings the retailer says 'yes' to. Then we custom laserprint their PSL, after scrolling away those listings they did not want.

**WE'VE BEEN GRADUALLY MOVING RETAILERS TOWARD THE TOP OF THIS LIST, EXPANDING THEIR WILLINGNESS AND ABILITY TO EARN AND SPEND HOURS.** This includes frequent "How's-it-Going?" visits to stores. We make Personal Shopping Lists (PSLs) for these people, by reading through the list and making a custom laser-printed list of what they've selected.

**We're aiming toward UNIVERSAL LOCAL ACCEPTANCE OF THE HOUR**, when this background work will no longer be necessary.

24. **CALL THOSE ON THE LIST** to find out how they're doing and to keep listings and phone numbers accurate. (see **Dialing for HOURS**). Write down quotes for articles (see **SUCCESS STORIES**). The Success Stories are the positive trade experiences-- no clunkers are published. By presenting successful trading stories we create expectations of success, thus a greater likelihood of success. Even one negative story published would offset ten positive stories.

**Reassure those who have little trading**, or who have not been called, that they'll get called eventually, especially as the supply of HOURS increases. You can suggest they put up flyers which mention they accept HOURS. Encourage them to spend their HOURS so that other people can use them. Their HOURS will come around again.

**We've seen over and over** that some people who had little call for their listed skills are eventually called on and get regular HOUR work doing something they didn't even know they could do. Some of these 'sleepers' have even stepped into situations that made them very important parts of the HOUR process, by accepting lots of HOURS from prominent retailers. Long-term residents, regardless of skill levels, are the bedrock of local barter. We've learned to respect everyone's willingness to participate, regardless how modest their offer. There are great surprises!

25. **KEEP A DELETIONS LIST** to have a record of people who become inactive or unavailable (move away, get full-time job, new parent, injury, or phone is changed), so that you can know their payment status when they reappear, and to locate lost participants when each new phone book is published.

26. **ENCOURAGE EVERYONE TO ACCEPT HOURS, EVEN THOUGH NOT LISTED.** Some of our most active participants have spent thousands of dollars value of HOURS, without ever signing up or appearing in Ithaca Money. They just tell people they take HOURS. Gradually the barter list can become less essential for spending of HOURS. As our newspaper says, 'Just Ask Anyone: "Do you accept HOURS?" Then show the list.' This is an extremely important part of spreading the currency, and securing its value.

27. **WE'LL BE HAPPY TO HELP YOU GET STARTED!** Local currency is now an international grassroots movement. Several of the communities which have received this book have already started their own currencies. We're learning as we go, so we need to share ideas and experiences with each other. When you've begun designing your money, let us know, and we'll send you a list of the other HOUR systems. We'll be glad to offer advice as needed. Have fun!



# Ithaca MONEY

Aug-Sept 1993 • No. 12

## HOUR Town the Ithaca HOUR Store

We're organizing a new community center and variety store for everyone on the barter list, to promote the goods and services available in Ithaca Money.

Hundreds of these goods, like food, clothes, toys, artwork and crafts items, all products of home industries, will be priced in HOURS and dollars.

Our store would benefit the circulation of Ithaca's money by making HOUR spending easier for those with lots of HOURS, and by making HOUR earning easier for those otherwise without retail space. Serving as an indoor farmer's market and business incubator, this local currency store will be unique in the nation.

Services would be featured here, too. For example, a rake might carry a sign listing gardeners, a doll might hold a list of babysitters, an oven glove could clasp a list of cooks, a gavel would announce lawyers, a bicycle wheel would pump for bike repair, and a broom could display house cleaners.

Gift certificates for other services, like carpentry, sewing, massage and computer work, would be here as well.

Performances of music and dance, and demonstrations of sign language, furniture repair, cake decorating, massage, hypnosis and dozens of other skills will be welcome in the center, by those who barter.

And Local Talent will be more than a store and stage. People can meet here to hire and be hired. The latest barter offers and requests would be available daily.

We could be primarily a small business resource center, and offer job counseling.

Local Talent would benefit Commons retailers as well, because all local stores which accept HOURS could have display advertising in the center. Samples of their goods could be sold here. Another active storefront would add appeal to downtown, and some of the extra income earned at the HOUR store would be spent downtown.



So far we've been talking with City Hall about using the long-empty City-owned storefront at the corner of Cayuga and Green Streets, across from Woolworth's. Since the City has been trying to sell this building (for several years), we'd agree to move out upon 60-day notice of sale.

Otherwise, we'll need a public-spirited landlord willing to rent to our non-profit agency and to accept Ithaca HOURS as part payment.

### Local Talent will also need:

1. People on the HOUR list to sell goods and exhibit skills
2. People with retail experience to establish and/or operate the center.
3. Donations of computers (Mac), display cases, wall fabrics, etc.

## Local Currency Dept Store & Community Development Center

Will be renovated with volunteer labor, and can grant store credits and HOURS for special labor.

We'll be building display cabinets and racks, firewall, plumbing, electric, to meet code requirements.

We'll be seeking donations of office equipment, desks, room dividers.

We will benefit community by reviving that empty corner, making the gateway to the Commons more attractive, and making the building itself more salable.

We would pay costs of rent and electric. We ask the city to provide this space rent-free, and to continue heating.

All goods sold for 100% HOURS, available also for dollars. Consignment, 40% commission to store.

### Priority for sale of goods:

1. homemade by individuals on the HOURS list who do not already have retail visibility.
2. homemade by individuals with other retail outlet/s.
3. samples provided by Downtown stores accepting HOURS.
4. samples provided by Downtown stores not otherwise accepting HOURS.
5. samples provided by other stores w/in 20 miles accepting HOURS.
6. samples provided by other stores within 20 miles not otherwise accepting HOURS.

There will be a display area for downtown businesses, and for HOUR business cards.



We now computerize the **DELETIONS LIST**, with fields for lastname, firstname, Issue # of Ithaca Money they were first listed, and reason for deletion (M= moved, P= phone off/wrong, D= deceased, O= other such as business closure/ job status/pregnancy/seasonal)

# DELETIONS

ADAMS P. H	EMILY		M
ALLEN	RUTH	5	O
ARAUJO	JULIA		P
ATKINS	DAVID	11	M
B.	AUNT		M
BACKES	SUSAN	1	P
BAKER	NADINE		P
BAFFIELD	GAIL		O
BARBOSA	MARTA		P
BARCLAY	GLENN	4	P
BAYON	PENNY	2	O
BARRADAS	JOHN	4	O
BECKMAN	ELIZABETH	2	M
BENZER	DEBBIE	9	M
BERGSTROM	LUCY	2	M
BILISI	DAVID	6	P
BLANK	CINDY	1	O
BLOSSOM	LINDA	2	O
BOTTOM	ANDY		P
BONACCORSI	DIANE	8	M
BORASH	KATHRYN	17	P
BORDEN	CARL	17	O
BOEWELL	LAURA	1	O
BOSNORTH	MONICA	18	O
BOYD	MARCUS	1	O
BRADY	ELEN	12	P

*We distribute to dozens of locations,  
and reliably restock one place  
in each region (dot):*

## Distribution

## North

Ithaca Fitness Center  
 P&C  
 DMV  
 Sunny's  
 Ithaca Bowling Center  
 Suds Your Duds  
 Andy's 3rd St. Cafe  
 Farmer's Market  
 Chamber of Commerce  
 Fall Creek Pictures  
 Fall Creek Laundry  
 Lincoln Street Cafe  
 Gun Shop  
 Hickey's Music  
 Northside Pharmacy

## Northeast

P&C  
Corners grocery  
Corners laundry  
Corners bakery  
CTB Appetizers  
Triphammer A & P

## West

Clinton Plaza Laundry  
Clinton Stop N Shop  
Agway  
West End Laundry  
Pete's  
Clever Hans Bakery  
GreenStar  
Ithaca Bakery  
Video Ithaca  
Byrne Dairy

## South

- South Cayuga Laundry
- Titus Towers
- Southside Center
- Ithaca Plaza news
- Ithaca Plaza cafe
- Manos Diner
- K-Mart
- Tops

## East

Commons Coffeehouse  
Alternatives Library  
Cabbagetown Cafe  
ABC Cafe  
❶ East Hill Plaza: P&C, laundry  
Mr. Donut  
Ellis Hollow Sr. Housing  
Gnomon Copy  
Ide's Bowling Center

## Center

- The Corner Store (Court & Plain)
- DeWitt Mall
- Oasis
- Toko
- Service League
- Autumn Leaves Used Books
- GIAC
- Shortstop
- Borealis
- Ruby's
- Center Ithaca
- Café Decadence
- Cinemopolis
- AFCU
- City Health Club

*Some advertisers pay before publication, some pay after, and some pay every several issues.*

# ACCOUNTS DUE

ADVERTISER	PHONE	\$\$\$ DUE	HRS DUE	ISSUE #



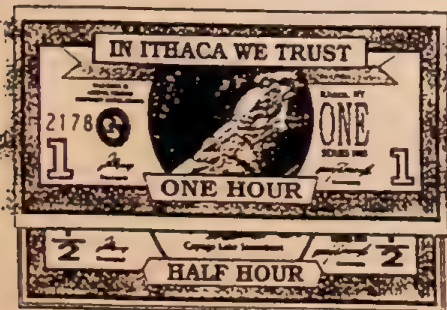
## *The Ithaca Money*

# FILING SYSTEM

*Here are our vertical file categories:*

AD BORDERS (we use Superpaint to produce a wide variety)  
AD COPY (manuscript, graphics and other fragments of ads submitted for typesetting)  
AD PROSPECTS (business cards and ads from other papers of those likely to accept HOURS)  
AD SALES (record of each ad sold and payments, plus totals)  
ADVERTISEMENTS (published in past issues) filed by size  
ARCHIVES (news, etc. about the HOUR system)  
CONNECTIONS (listing people to contact whose help has been requested)  
CORRESPONDENCE: IN  
CORRESPONDENCE: OUT  
DELETIONS (listing those removed from list, and reason why)  
DIALING FOR HOURS (phone survey sheets, computer print-out of list by newspaper issue number [chronological order] and/or by phone number)  
FORMS (originals of forms used)  
GRANTS TO ORGANIZATIONS (correspondence and receipts)  
GRANTS TO POTLUCK (correspondence and addresses)  
GRAPHICS (original art and clips from books, magazines)  
HOUR TOWN STORE (plans, records for local currency department store)  
HOURS (original art)  
LOANS (applications and HOUR repayments)  
NEW LISTINGS MAILING LIST (list of those who earn lots of HOURS, to be mailed the list of each issue's new listings)  
NEXT ADS (ads for next issue)  
NEXT LISTINGS AND CORRECTIONS (to be entered for next issue)  
NEXT TEXT (text for next issue)  
OLD LISTS (computer printouts of earlier lists, with date)  
OLD SIGN-UPS (sign-up coupons and corrections that have been entered)  
PREP HOURS (design work for creating HOURS)  
PUBLICITY (media list)  
PERSONAL SHOPPING LISTS (list of those who have received PSLs, list of those for whom a PSL should be made, and copies of PSLs made)  
SUCCESS STORY LIST (master list printout by first name, as roster of those whose Success Stories have been published)  
TAX INFO (daily income and expenses, by year)

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## HOUR BANK

replaces damaged notes  
and makes HOUR change.

**Loan forms also available.**

(located at Autumn Leaves Used Books)



## Thousands in counterfeit cash seized

Protecting your money against counterfeiting becomes more important as your currency system gets bigger. As these articles show, U.S. Federal Reserve Notes are poorly protected against counterfeit. Millions of \$100 bills are now so well counterfeited that counterfeit detecting machines don't catch them, and this denomination of cash is no longer accepted by several major banks abroad (Singapore, Sydney, etc.). The next page shows how local currency has become more secure than U.S. Federal money.

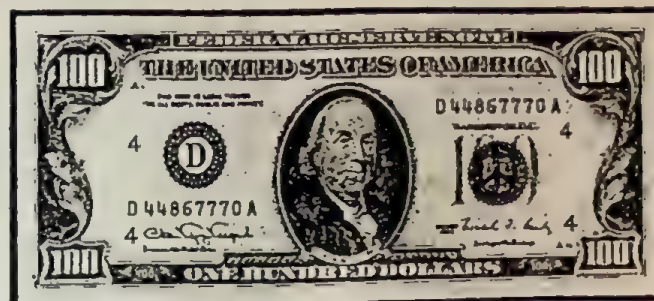
## Is it a genuine \$100 FR note?

## Fake notes in Miami, NYC

By Michele Orzano  
COIN WORLD Staff

Terrorists have "invaded" the United States. In fact, they might be as close as your wallet — in the form of counterfeit \$100 Federal Reserve notes.

March 28, 1994



AMERICANS SHOULD be wary of accepting \$100 FR notes because counterfeits of high quality, undetectable except with sophisticated equipment, are now circulating in the U.S.

## Fake seizures rose last year

The amount of counterfeit Federal Reserve Notes successfully passed before seizure rose for the fifth successive fiscal year, to a dollar value of \$19,145,351, the Secret Service reported to a congressional appropriations subcommittee chaired by Rep. Steny H. Hoyer, D-Md., at a hearing March 3.

During the same period, fakes seized before being passed into circulation amounted to \$60,731,193. The number of counterfeit plants suppressed declined somewhat from the preceding year to 137.

## Counterfeiters gain upper hand over attempts to stop their work

## FRN security devices show little change since 1920s

By Michele Orzano  
COIN WORLD Staff

In 1928 when current designs for all denominations of Federal Reserve notes were introduced, counterfeiting threats involved the trained eyes of a skilled artist or a corrupt plate maker who produced a few fakes which were passed locally.

See related story Page 1

Today, the counterfeiting problem has grown into one of international proportions and may well require drastic solutions.

For the past several years *Coin World* has been publishing stories about the ever-increasing threat from counterfeiters domestically as well as around the world. The introduction of color photocopiers and the increasingly sophisticated efforts of drug traffickers looking for ways to launder cash and terrorists in the market for nuclear weapons have intensified pressure on U.S. Treasury and Secret Service officials to respond.

The status of security devices on FR notes has changed a little over the years. The black ink on the face of FR notes has had magnetic properties for more than 20 years as an anti-counterfeiting measure. The magnetic properties of the black ink are used by mechanical change makers to authenticate notes and FR banks have equipment capable of detecting the ink for authentication purposes.

In July of 1991, American citizens were made aware of two new security devices to appear on Series 1990 FR notes beginning with the \$100. One of those devices features microprinting of THE UNITED STATES OF AMERICA around the portrait on the face of the notes. The microprinting ap-

pears to be a thin line to the naked eye but can be read under magnification. A security thread, which appears vertically to the left of the black Federal Reserve seal, bears USA and the numeral of the denomination which is repeated along the length of the thread. The thread can be seen only when the note is held up to the light.

## Easily removed

By 1993, *Coin World* was hearing reports of the ease of removing the security thread, apparently a popular practice among teenagers. The legality of the action is questionable, with intent to defraud the issue. But the microprinting and security thread were designed to combat color photocopiers, according to testimony by William J. Ebert, special agent in charge, U.S. Secret Service's Counterfeit Division, when he appeared before Congress in 1991 to discuss the need for increased anti-counterfeiting efforts. But what about the dangers computer technology poses to the security of the nation's currency?

Legislation was introduced in Congress in 1991 that would have required the administration to study the feasibility of producing FR notes in denominations of \$10 and higher that would be traceable by an electronic scanning device. The legislation died for lack of action although the technology to make it possible is very much alive.

That same year, researchers at Battelle Memorial Institute in Columbus, Ohio, who began studying security devices for paper money in 1982, developed the invisible bar code using invisible ink that can be read by infrared sensors.

In late 1991, a BEP official

confirmed a third anti-counterfeiting device was incorporated into some of the notes then in production. The spokesman refused to identify the device other than to say it had been produced by Xerox Corp. BEP officials signed a contract with Xerox Corp. Oct. 1, 1990, to provide such a device. The BEP has never confirmed nor denied whether all of the denominations contain the covert device or whether both or only one of the Series 1988A and Series 1900 notes in production at the time contained the device.

## Reluctant officials

Treasury, BEP and Secret Service officials are reluctant to discuss current anti-counterfeiting technology or even speculate on what may be on the drawing boards lest they give away secrets to counterfeiters.

But that kind of reticence hasn't stopped Rep. Henry B. Gonzalez, D-Texas, and chairman of the House Committee on Banking, Finance and Urban Affairs, from criticizing what he describes as the government's slow response to the mushrooming national security threat. In a speech on the House floor in 1992, Gonzalez was critical of anti-counterfeiting efforts by the Treasury Department. Gonzalez said at the time there was a total of \$274 billion in currency in circulation with half in the form of \$100 notes. Of those \$100 notes, about \$100 billion circulate overseas.

In 1992, the BEP established a Securities Technology Institute to explore counterfeit deterrents and technology. At the time, BEP Director Peter H. Daly said the institute would "develop the Bureau's capability to design, test and evaluate advanced counterfeit deterrence features for use in U.S. currency and other security documents." However, very little has been made public about the institute's activities. **CV**

Whoa!  
Most excellent counterfeit cash

Uncle Sam gets just a little uneasy when others start doing things better than the folks in Washington. And Uncle Sam has been uneasy a lot lately.

The *Wall Street Journal* reports that recent developments have government officials checking their wallets. Counterfeit \$100 bills are turning up and confounding detectors at the Federal Reserve and the Secret Service.

What's worrying them is that the bills are almost the real McCoy. The counterfeiters are copying closely the method of printing, the type of paper, and the magnetic signature of the ink. The bills have even fooled the Fed's currency counters which automatically kick out any suspected counterfeits for inspections.

A House Republican task force on terrorism, a committee evidently prone to conspiracy theories, said that Iran is printing the notes as part of a program of "economic warfare" that Syria and Iran have devised. Flood the world with fake greenbacks and undermine the U.S. currency. Iran immediately ridiculed the idea, but the dollar has admittedly dipped on world currency markets this past year.

In all likelihood, the U.S. government is upset about someone muscling in on its territory—economic warfare, that is. During the war in the Gulf, the United States reportedly flooded Iraq with fake dinars in order to undermine Saddam Hussein.



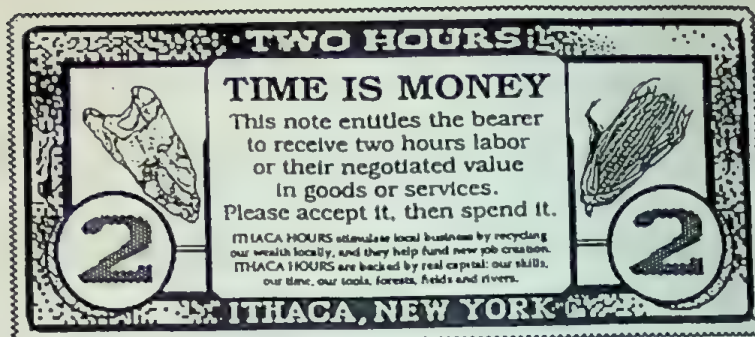
## There are several low-budget counterfeit deterrents.

- ▲ extra color (requires counterfeiters to use color copier)
- ▲ thermal ink (disappears briefly when heated--can't be color copied)
- ▲ rubber stamping date of issue, color coded
- ▲ embossing (raised print)
- ▲ handmade paper

## New 1995 Quarter HOUR: Harder to Counterfeit than Dollars.

The 1995 Quarter HOUR, our first since 1992, has two pink spots on the reverse printed with thermal ink which disappears briefly when touched with warm hands. It would also disappear if someone tried to photocopy it. When your hands are cool, hold the note to your heart.

This ink was invented in Ithaca by Dyna-Color, which produces a line of color-change T-shirts. The ink is only available to printers who license with Dyna-Color.



### Two HOUR (\$20) Note Printed on Locally-Made Paper

Scott Wettlaufer of Scribecraft Paper in Newfield has created the handmade paper for the Two HOUR. This pale brown paper is 100% cattail, harvested from beside the Ithaca Community Gardens, near the Farmer's Market. The note was designed by Paul Glover, and the intricate watermark (cross I and H) was designed and handcrafted by Elisabeth Beckman. Fine Line printed the notes, and old-style matching red serial numbers were stamped by Grover StamPrint. Our washing machine test finds this paper stronger than regular recycled paper.

The cost of the first edition of 500 notes has been partly paid by grants from Ben & Jerry's Foundation, New Society Publishers and the Resist Foundation. Those on the Ithaca Money list may receive them by mail (maximum one note per person) by sending 2 HOURS or \$20.00, plus \$1.00 for handling, to Ithaca Money, Box 6578, Ithaca, NY. 14851. Others may buy a note for \$25.00. Dollar proceeds go to the Barter Potluck account, for further printings.

For thermal ink:

**Dyna-Color**

1771 Hanshaw Rd. Ithaca, NY 14850

# City & Towns

[Ithaca Journal 5/16/95]

Local Editor

Simeon Moss

274-9219

## Ithaca Hours protects currency

By JOHN YAUKEY  
Journal Staff

Don't even think about it: Paul Glover is way ahead of you.

If last week's startling local counterfeit case has you wondering about the possibility of photo-copying the popular local barter money known as Ithaca Hours, its inventor has a message for you.

"There are several levels of counterfeit protection built into the notes that make them very difficult to reproduce," Glover said. "Even making them legitimately is extremely difficult."

Like federal notes, Ithaca Hours has a peculiar texture.

The paper used on some of the notes is made from cattail pulp, which looks like paper bag material, but has a distinctively coarse and fibrous feel.

"Reproducing this paper would take a lot of work," said Glover, who started Itha-

ca Hours in 1991.

These notes also bear a watermark, an image of an overlapping "I" and "H" to the right of the central icon. The mark is visible when the bills are held up to a bright light.



Glover

Glover plans to raise security one more level by printing the next series of notes with a special heat-sensitive ink that temporarily disappears under the warmth of a room-temperature hand. Glover said he may be printing those notes as early as next week.

"Touching it will verify its authenticity," said Lyle Small, president of Chromatic Technologies Inc. of Ithaca, which makes the special ink.

This would guard against reproducing the notes with a high-resolution copier, a method two Tompkins County men allegedly used recently to make \$250,000 in virtually flawless \$20 bills.

Mark E. Crispell, 27, of 8 Sunrise Drive, Newfield, and Duane D. Scott, 36, of 288 Harford Road, Brooktondale, both have posted \$5,000 bail on counterfeiting charges. They now await action by the Tompkins County grand jury.

Glover said it's purely coincidental that the plans to further secure Ithaca Hours against counterfeiting occurred at the same time as the arrests.

So far, there have not been any problems with fake Ithaca Hours notes.

But, Glover pointed out that in addition to the technical barriers, there are institutional safeguards against counterfeiting Ithaca Hours.

"Anyone connected well enough to the

community to use a lot of Ithaca Hours would not likely risk their reputation passing counterfeit notes," he said.

Anyone caught counterfeiting Ithaca Hours would suffer more than just character damage.

The notes qualify as financial instruments, which makes counterfeiting them a state felony.

"This would be second-degree forgery," Tompkins County District Attorney George Dentes said. "It's punishable by 2½ to seven years in jail."

To date, more than 1,000 people — 200 of them business owners — have registered to accept Ithaca Hours. Hundreds more accept them without being listed.

Glover estimated there are 5,075 Ithaca Hours in circulation accounting for about \$500,000 in economic activity so far.

Some 21 other cities now use such barter cash systems, Glover said.



# This Skills List is Easy to Use:

Call people on the list who are offering (++)  
or asking for (--) goods or services.

**Get what you need by  
offering any combination of  
direct barter, dollars, and HOURS.**

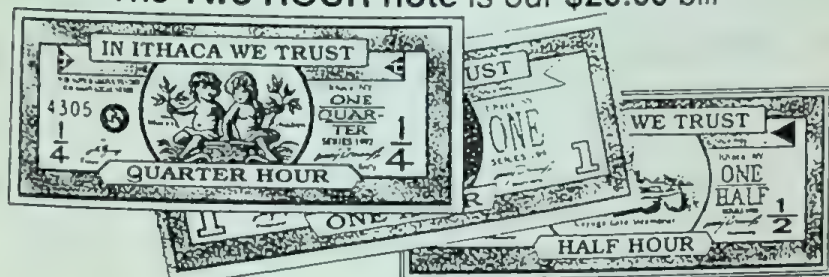
BECAUSE \$10.00 PER HOUR IS  
THE AVERAGE WAGE IN TOMPKINS COUNTY,

The Ithaca HOUR is Ithaca's \$10.00 bill

The Half HOUR is our \$5.00 bill

The Quarter HOUR is worth \$2.50.

The Two HOUR note is our \$20.00 bill



When you agree to accept Ithaca HOURS as full  
or part payment for your goods or services,  
you are paid 4 HOURS (\$40) by mail  
(see coupon on back page)

After being listed in four issues of *Ithaca Money*,  
you may renew your listings and be paid 2 more HOURS.  
This is how we gradually and carefully increase the supply of HOURS.  
Those who sign up or renew at a Barter Potluck are paid an additional Ithaca HOUR.

The twice-monthly **BARTER POTLUCKS** decide on  
grants, loans, rate of issue, and printing of HOURS.  
All are welcome to attend. Those listed may vote.

## Barter

gets what you need without dollars.  
Direct swaps, or barter with HOURS, allow us to get what we  
need when we don't have enough dollars. And barter allows  
us to keep our dollars for needs we still need dollars for.  
Thousands of Ithacans barter for some large part of income.  
Many get more income from barter than from dollars.  
They live better than people who don't barter.

### How to Barter:

1. List goods and services you can trade.
2. Mention barter and HOURS when you advertise.  
Post notices in public places, tell friends.
3. Call someone to offer or request goods or services.
4. Ask about their credentials or experience.
5. Negotiate a trade. Seek full value, but be flexible.
6. Make any agreement specific and clear.  
Repeat it aloud. Write it down if necessary.
7. Give good service.

## Why Wait for Money?

### Barter Makes You the Banker

Find something you want from the list, then call up and offer  
to swap something you can do or something you have. The  
possibilities are endless: artwork for French lessons, bike repair for  
pottery, house cleaning for gardening. This is called direct barter.

When the person you call doesn't need what you offer, ask  
them what they'd be willing to trade for and then try to earn that.  
For example, if you offer massage to a plumber, but the plumber  
needs tutoring for her son, call tutors and offer them massage. A  
tutor can pay you a handwritten note promising (x) hours of  
tutoring, which you can pay to the plumber. This is called split  
barter.

Trades of professional goods and services are taxable income,  
while trades of non-professional goods and services are not taxed.

## Welcome to the Ithaca Time Zone

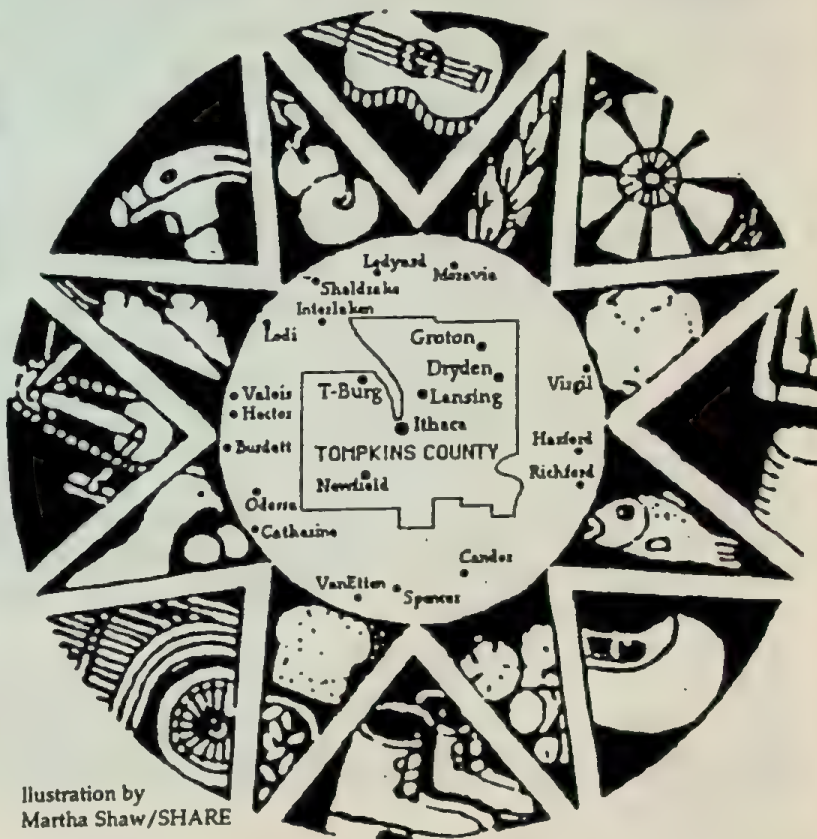


Illustration by  
Martha Shaw/SHARE

### Where Your Time Is Money!

The Barter Potluck has decided that sign-up HOURS will  
be paid to those who live within 20 miles of the center of  
Ithaca. This includes all of Tompkins County outward to the  
villages and hamlets mapped here. We'll also pay for listings  
beyond the zone which have a regular business phone or  
place of business in the Ithaca area.

Putting a boundary around money reinforces trading  
among people who live close together, reducing our need for  
travel and dollars, and helping us hire and trust each other.

We'll help our neighbor cities (like Watkins Glen,  
Cortland, Owego, etc.) to start their own currencies. We could  
then look forward to trading Finger Lakes money. Strong  
local economies are better able to reach to their neighbor cities  
with new export industry and buying power.

Most importantly, localizing money increases local control  
of the environmental and social effects of commerce. Local  
currency can be a major tool fostering regional enterprise  
which feeds, houses and employs everyone, and which makes  
personal satisfaction and social cohesion the main purposes of  
work.



# Finding HOUR Work

**1. Introduce yourself to Farmer's Market vendors** (Saturdays 9-2, Third Street, beyond Rte. 13; Tuesdays 10am-2pm, DeWitt Park) who display the yellow "Ithaca HOURS Accepted" signs. Ask them what help they need.

**Some farmers pay one HOUR per hour**, the highest common farm labor wage in the world. Other farmers earn less than \$5.00 per hour themselves, so they pay one Half HOUR per hour. but most would let you camp out on their land and shower up, while working, for a week or weekend. Some would let you take home some organic food, too. Build muscles while learning where your food comes from. You can negotiate pay.

Several Farmer's Market vendors are listed in *Ithaca Money* under FOOD, with the FM note after their listing.

**2. Introduce yourself to merchants who accept HOURS.** Find these business names next to listings. Most have a regular supply of HOURS and often need odd jobs done. Others who are likeliest to have HOURS are professionals like acupuncturists, chiropractors, electricians, massage therapists, etc.

*Presently, merchants with reliable HOUR supplies include:*

- Turback's Restaurant-- Michael Turback
- GreenStar Co-op (Buffalo & Fulton Streets)-- Art Godin
- Alternatives Federal Credit Union-- Bill Myers
- 3-D Light Gift Shop (on Commons)-- John Pargh
- Video Ithaca (Route 13 & Cascadilla Street)-- Steve Seplowe
- Oasis Natural Foods (DeWitt Mall)-- Peter, Carol, Debra
- Autumn Leaves Books (on Commons)-- Joe Wetmore, Stephanie Marx
- Sciencenter (north end of Second Street)-- Jennifer
- Candor Animal Care (Candor, NY)-- Iris Prestas

**3. List your goods and services in Ithaca Money.** If you offer something posted to the right of the arrow on the back page, then you'll be paid two HOURS by mail. We ask that you expect to live in Ithaca for at least another year.

Ithaca Money is found at GreenStar Co-op, DeWitt Mall, Alternatives Library (Anabel Taylor Hall), Alternatives Federal Credit Union, Autumn Leaves Used Books, State Theatre, both P&C's, CTB Appetizers, and at 50 other locations in Ithaca.

**4. Visit the Employment & Trading Center**, our computer bulletin board, at GreenStar Co-op. Just like using the library's database, you can offer and request goods and services. The regular bulletin board is there too, so you can also post a paper notice of your willingness to work for HOURS.

**5. Sell used books** to Autumn Leaves Used Books (Commons). They buy a wide variety, except romance and sci-fi.

**6. Host an Ithaca HOURS Garage Sale**, by posting an "HOURS Accepted" sign. We provide signs free.

**7. Recruit a storefront business to the HOUR system.** If you convince a storefront business to accept HOURS, we'll pay you two HOURS. Mail us the coupon with your name as finder. If the business actually begins to accept HOURS, you get the fee. They get paid two HOURS also. You can take copies of our business info about HOURS, available in the middle shelf of the Employment & Trading Center at GreenStar.

**8. Put an Ithaca HOURS bumper sticker on your vehicle, or at work or home.** These are found at entryway of GreenStar, at Autumn Leaves Used Books, or at Alternatives Federal Credit Union.

**9. Post the "Ithaca HOURS Accepted" sign** at home or work. Tell people you accept HOURS. When you do, it tells them that you support social justice, local control of our economy, and environmental protection.

**10. Sell ads for Ithaca Money.** Full page ads cost 40 HOURS or \$400, Half page 20 HOURS or \$200, Quarter page 10 HOURS or \$100, Eighth page 5 HOURS or \$50, Sixteenth page 3 HOURS or \$30, business card 2 HOURS or \$20. Your commission would be 25%.

## Here's How HOURS Work:

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**HOURS are used** within a 20-mile radius of Ithaca, New York: the Ithaca Time Zone. During the past three years we have issued 4,850 HOURS (\$48,500). Thousands of trades worth hundreds of thousands of dollars have been stimulated by HOURS.

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## Stimulating Trade

These two pages show four ways to encourage more trading. We display categories from the list that would be useful to people who are landlords, parents, throwing a party, hungry, and so on. We invite people to ask for HOUR change from businesses which have HOURS. We publish a cross-reference list occasionally. We create Personal Shopping Lists (PSLs) for people who earn lots of HOURS.

## Hey, Let's Eat!

**Here's food homemade in Ithaca,  
available for HOURS.**

**Ithaca Money has sampled most,  
ALL ARE DELICIOUS!**

see **FOOD**: bread, baklava, cakes, candy, cider, cookies, corn, deli goods, desserts, eggrolls, eggs, felaful, fruits, granola, honey, jams, knishes, lamb, maple syrup, pies, samosas, sausage, seitan, soups, spanikopita, subs, tempeh, tofu meatballs, vegetables, wine.  
**SEE ALSO** baking, cooking, catering, edible plant walks

## Hey, Landlord!

When you accept HOURS  
as part of rent payment,  
you can spend them to buy:

architectural design, banking, blocklaying,  
bookkeeping, bricklaying, business cards,  
business consulting, cabinetmaking, carpentry, check  
bounce fees, concrete pouring, curtains, crane services,  
drywall finishing, electrical supplies and electricians,  
engineering of heating and air conditioning,  
gardening & weeding, house cleaning, insurance  
analysis, labor, landscaping, lawyers, lumber,  
mailboxes, masonry, metalwork, painting,  
photography, plumbing, real estate appraisals &  
listings, roofing, sheet metal work, signs,  
stained glass, tax law and returns, trash hauling  
and removal, trees, trucking, wallpapering,  
welding, window cleaning,  
and plenty more!

There are hundreds of additional ways to  
spend them for personal use.

**When you spend  
your HOURS you let  
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They'll come back!**

## Ithaca Money creates Computer Employment & Trading System for GreenStar



Bulletin boards all over Ithaca are plastered with papers selling stuff, looking for work, asking for help. These notes won't have to fight for attention on GreenStar's new computer bulletin board. GreenStar agreed to provide space for a computer terminal, hosting an easy-to-use screen where everyone can offer and find work and goods of many kinds. The computer file will allow longer personal descriptions of skills and items for sale than appear in Ithaca Money classifieds. You can also put a copy of your resume in the Resume File, beside the computer.

The ETC was written by *Ithaca Money* and designed by Tenet Educational, a local computer manufacturer on the HOUR list, which also donated the computer. We intend to have it installed soon.

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baking, baskets, belly dancing performances, billiard supplies, body oils, bowling, cake decorating, calligraphy, candles, catering, child care, children's parties (storytelling, magic, juggling, music), cooking, costume design, cottage on lake, dance lessons, dance performances, dartboards, drums, errands, firewalking, flowers, food, games, guitar player, house cleaning, keyboard player, lighting design, limousine rides, magician, music performances (drummer, fiddle, flute, glass harmonica, guitar, organ, pennywhistle, piano, recorder, saxophone, singing), music tapes, palmistry parties, piano tuning, poems, pool cues, posters, recycling, singing telegrams, storytelling, toys, videotaping, wine, wine tastings, and more.



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Even when you're not regularly earning Ithaca HOURS, you can be an important participant in this community-enrichment system. Just ask for Ithaca HOURS as part of your change. GreenStar Co-op cashiers will have HOURS handy (beginning June 15), as do wait staff at Turback's Restaurant and most other 200 HOUR businesses (see display ads). Taking HOUR change makes social change, by moving our money through the community, to do its work.

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**SEE ALSO** baking, cooking, catering, edible plant walks

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# Cross References

## ACCOUNTING SEE ALSO

bookkeeping checkbook balancing tax returns

## ART SEE ALSO

artist's model graphic art & design original art  
business cards greeting cards painting  
calligraphy handicrafts paper  
camera illustration picture framing  
cartoon jewelry postcards  
collage logos pottery  
crafts masks quilt  
decorative murals sign...  
drawing lessons note cards stained glass  
fabric art origami weaving

## AUTO SEE ALSO car

## BABYSITTING SEE ALSO child care

## CLOTHING SEE ALSO

bras ironing shoe  
costume kimonos slippers  
cross-stitch knitting spinning  
embroidery leather underwear  
fabric moccasins weaving  
fiber modeling wool  
hats sewing

## COMPUTER SEE ALSO

data laser printing typing  
desktop secretary word processing

## EDITING SEE ALSO

copyediting publicity translation (& by language)  
proofreading research writing

## ERRANDS SEE ALSO

grocery shopping moving shopping service  
hauling recycling trucking  
messenger service rides

## FIREWOOD SEE ALSO

forestry wood woodstove  
logging woodlot

## FOOD SEE ALSO

baking catering edible plant walks  
cake decorating cooking kitchen design

## GARDENING SEE ALSO

compost... lawn rototilling  
flower manure soil: pH testing  
labor: physical permaculture tree  
labor: farm pest management worms  
landscaping plants yard work  
land use

## HEALTH SEE ALSO

acupressure healing physical conditioning  
acupuncture herbal reflexology  
birth counseling homeopathic Reiki  
chiropractic hypnosis running coach  
dance kidney warmers sauna  
eldercare macrobiotic diet self-defense  
exercise massage stretching  
eye doctor medical literature tennis lessons  
eyeglasses meditation water  
fitness nursing women's health  
foot doctor nutritional products yoga  
gymnastics personal training

## HOUSE REPAIRS SEE ALSO

architect electric plumbing  
blocklaying handyman roofing  
bricklaying interior design rug repair  
cabinet making labor: general sheet metal work  
carpentry lead-based paint test wallpapering  
construction masonry window  
decorative painting metalworking  
drywalling painting woodwork

## MUSIC SEE ALSO

accordion lessons flute lessons records  
bird songs guitar lessons saxophone lessons  
compact discs piano lessons singing telegrams  
dance lessons piano tuning videotaping of concerts  
drum recorder lessons violin lessons  
fiddle lessons recording studio voice lessons

## PET/S SEE ALSO

dog walking house/pet sitting wildlife rehabilitation  
fish horse

## PSYCHOTHERAPY SEE ALSO

co-counseling identity & life direct. psychic  
counseling meditation soul readings  
crystal wands palm reading tarot readings  
hypnotherapy past life integration therapy

## REPAIRS see item to be repaired

## TUTORING SEE ALSO

language lessons (see by language) school tuition  
literacy school selection assist. teacher

## WOODWORK SEE ALSO

cabinet making furniture repair signs: carved  
carpentry lumber

**Personal Shopping Lists** are made for people who earn lots of HOURS, by reading the entire trading list to them, usually over the phone, as fast as possible. When they hear something that they could use immediately or eventually, for themselves, their family, friends and/or business-- they say "Yes." Put a check by their selections, then go to the master list and scroll aside those offers they did not select. Listings remaining are those they want. We set these up in the following format:

# Walter's Ithaca HOUR Shopping List

ACCOUNTING: 11 yrs exp (see Yellow Pages ad)

accounting: computerized integrated system

accounting: CPA

ADVERTISEMENT design and art

advertisement design and buying: ArtWorks

BIRD SONGS of Ithaca area: tape & booklet: @ one HR.

BLOCKLAYING

BOOKS, etc. at New Alexandrian: max Half HR per

books: used: Alternatives Library @ Anabel Taylor

books: used: Autumn Leaves: COM

Bob LeRoy	564-9413
Joanne	257-6227
Cynthia Smith	532-9298
Tim	277-8639
Alice Muhlback	272-0294
Lang	257-4995
Tom Wheeler	272-3238
Pat	272-1663
Lynn	255-6486
Stephanie	273-8239



**If you could attract 2,000 local customers with \$57,000 in expanded spending power, would you take their money?**

**All you need to do is to accept Ithaca HOURS!**  
HOURS are legal local currency; 5,700 HOURS (\$57,000) have been carefully and systematically issued by serial number since 1991. More than 2,000 residents of the Ithaca area, including 300 businesses have been accepting and spending HOURS for a total trading value of \$1,500,000.

### **What is an HOUR worth?**

One Ithaca HOUR is valued at one hour of basic labor or \$10.00.  
There are four other denominations:  
22 HRS (\$20); 1/2 HR (\$5);  
11/4 HR (\$2.50); 1/8 HR (\$1.25).



**= \$10.00**

### **Are HOURS legal?**

Local paper currency is legal as long as it does not look like U.S. currency, and is reported as taxable when appropriate. Prompted by the media, the IRS, Federal Reserve Board, and Secret Service have been quoted as having no problems with HOURS.

### **What does it cost me?**

Absolutely nothing! Accepting HOURS is a risk-free promotion.

If you agree to be published in the HOUR Town directory as a backer of HOURS, the system pays you two HOURS (\$20.00) and donates your first business card ad in the directory.

### **How do I spend HOURS?**

Thousands of goods and services can be purchased with HOURS. Our staff will be glad to guide you through the HOUR Town directory as you decide how best to spend HOURS.

### **What if I get flooded with HOURS?**

You are in total control of how many HOURS you accept. Businesses range from setting a maximum per purchase or fee to accepting 100% HOURS. Get a few, spend a few. The HOUR staff can suggest a rate that's best for you.

### **Will taking HOURS make more accounting work for me?**

No special accounting is required. HOURS are counted just like cash. If a transaction is taxable, collect sales tax in U.S.

**Call today!**

**HOUR Town**

Box 6578, Ithaca, NY 14851

Paul Glover

Terry Nicholetti

**(607) 272-4330**

hours@lightlink.com

### **Happy HOURS:**

"By accepting HOURS, I have introduced my business to a large number of new customers and enjoyed many other benefits. Besides necessities (locally-grown produce, landscaping, carpentry, plumbing, cleaning), I find myself using HOURS for small luxuries I could not otherwise afford."

**Michael Turback,  
Turback's Restaurant**

I started my massage business and got a small loan of HOURS for a brochure and advertising. I borrowed only what I needed and it's interest-free. Several clients pay in HOURS and I spend HOURS with others who provide services. I like that HOURS stay in the community.

**LaBerta McGruder,  
owner/mgr, Bird's Back**

Alternatives Federal Credit Union has decided to hold as many as 500 HOURS (\$5,000) at any one time as payment for mortgage & loan fees... So far we've been spending HOURS as fast we can get them."

**Bill Myers, manager, AFCU**

"There are a lot of people who could not join a health club without the HOURS they're earning... It's opened up a whole new market for me."  
**Toni Lieb, City Health Club**

"HOURS... stabilize the livelihood of small-scale, freelance cottage industries. That's important because so many people in Ithaca are not nine-to-fivers."

**Bob LeRoy, accountant**

member, Tompkins County Chamber of Commerce since 1994



# Here are Several Ways to Spend Ithaca HOURS:

## Your Business:

accounting, advertisements, architecture, auto repair, autos, bank fees (AFCU), blocklaying, bookkeeping, business cards, business consulting, calligraphy, car repair, carpentry, cash register repair, check book balancing, cleaning supplies, computers (& accessories & consulting & internet & repair), concrete pouring, copyediting, curtains, database management, desktop publishing, drywalling, electrical supplies and electricians, engineering for HVAC, errands, fax services and repair, flowers, food and catering for company picnics, furniture & repair, grant writing, graphic design, greeting cards, handyman, house/office cleaning, illustration, indexing, insurance analysis, interior painting and renovation, investment planning, labor, landscaping, lawn mowing, lawyers, lightbulbs, lighting design, loan fees (AFCU), mailing list services, meeting room space, moving & packing, murals, music tapes, office work & organizing, painting, patent research, payroll preparation, photography, plants & care, plumbing, publicity, public speaking lessons, recycling, roofing, rubber stamps, signs, stationery, stone (cut), transcribing, tax law & returns, towels: continuous roll, trophies, trucking, typing, upholstery, videotaping, welding, window cleaning, woodwork, word processing and writing.

## Yourself, Family, Friends and Home:

appliance repair, auto repair, autos, babysitting, books, bowling, carpentry, Cayuga Nature Center membership, child care, children's parties, clothes, cooking, counseling, electricians, food, garage sales, gardening, GIFTS, haircuts, healing (acupuncture, chiropractor, etc), health clubs, language lessons (see by language), massage, mediation, movies, music instrument lessons (see by instrument), pet sitting/walking, plumbers, psychologists, restaurants, rototilling, Sciencenter membership, sewing, shoes, singing telegrams, stained glass, telephone repair, tires, toothpaste, tree surgery, TV removal, VCR programming lessons, veterinarians, video rental, vitamins, wallpapering, washing machine repair, wasp & bee control, wedding gowns & services, window cleaning, window shades, wood cutting & clearing, yard work, yoga lessons, zipper repair, and dozens more!

## Donations to Community Organizations:

When you're asked for a donation, you can make tax-deductible donations of HOURS.  
More than 25 local organizations have requested and received donations of HOURS.

## Employees:

Several businesses have employees who accept HOURS as part pay. We'd make an intro sheet.  
Several businesses give HOUR BONUSES.

By passing some of the promotional benefit of HOURS along to employees, they increase employee loyalty and decrease turnover, retaining the value of employee experience.

**Put HOURS in your wallet and carry them with you--  
you'll bump into dozens of places to use them!**

**We're ready to help you spend HOURS.**

If you need or want something not already on the list, let us know.

**272-4330 • [hours@lightlink.com](mailto:hours@lightlink.com)**



# FUNDRAISING

## YOU'LL NEED DOLLARS FOR:

- **STAFF** (see TASK LIST). *To KEEP COSTS LOW:* Live simply, with imagination. Rely on volunteers, and reward them with parties and compliments.
- **PRINTING NEWSPAPER.** *To KEEP COSTS LOW:* Publish your barter list in an existing pennysaver or newspaper. They already have both the staff and equipment and ad sales, and it would boost their circulation. You could provide "camera-ready" pages, or they could do "pasteup" for you.
- **PHOTOCOPYING** (xeroxing). *To KEEP COSTS LOW:* Arrange with a church, business or friend for donation, or trade for copies.
- **COMPUTER.** *To KEEP COSTS LOW:* Get a secondhand unit. Barter. Post a notice or classified. Major computer companies like Macintosh and IBM donate computers to community organizations.
- **ART SUPPLIES.** *To KEEP COSTS LOW:* Ask donations from local newspapers and ad agencies.
- **TRANSPORTATION.** *To KEEP COSTS LOW:* Bicycles are more efficient for multiple quick visits within a close radius. Within ten blocks I have access to borrowed computers, photocopying, libraries, and most of my advertisers. We even distribute our newspaper on a 4-wheel cycle. My transportation costs during the past 2.5 years have totalled \$500.

## SOURCES OF MONEY:

- **AD SALES:** Ithaca Money's full page ads (10"x16") cost \$400, half page (10"x 8") \$200, quarter page \$100, eighth \$50, sixteenth \$30, and business card \$20. Prices slightly lower after first insertion. We accept full payment in Ithaca HOURS if advertiser has them. Over 300 businesses have advertized in the paper, and some of them are regulars. We print 5,000 copies.
- **SIGN-UP FEES:** We charge \$1.00 (or equivalent in HOURS) for each one-line listing, which lasts as long as the person wants it. This is a small but significant income.
- **SUBSCRIPTIONS:** We charge \$10.00/year (six issues) to those who want *Ithaca Money* delivered.
- **FOUNDATIONS:** Most foundations, especially the largest, usually only grant to organizations with tax-exempt 501 (c) 3 status. You can incorporate and apply, which takes at least several months, and/or you can get a sympathetic local group with htis status to act as your "fiscal sponsor." The sponsor usually takes 5-10% of any grant, as their payment for letting you present yourself as one of their projects, and for doing the bookkeeping. There are some foundations which grant to individuals or groups without tax-exempt status.  
There are national, regional, state and local foundations, but most grant according to their "area/s of interest." The Foundation Directory and other books list foundations and indicate who, what, and how much each foundation will grant. Some foundations provide application forms. Others want you to introduce your project in a letter, then they'd write you to invite a full application if interested in your work. Ask your local librarian for help finding these directories.



# KEY THEMES FOR A FUNDRAISING APPEAL

on behalf of your local currency/barter project might include:

economic development; women; single parents; cottage industry; unemployment; underemployment; poverty; youth; seniors; small business; crafts; energy efficiency; environment; labor; sustainable agriculture; barter; monetary reform; shopping locally; community self-reliance, etc.

*Your grant proposal can highlight each theme according to the donor's area/s of interest.*

## GOVERNMENT

- **Federal:** Check the Federal Directory of Grants. Ithaca HOURS are a project of Alternatives Federal Credit Union which has employed a VISTA volunteer through the National Federation of Community Development Credit Unions. In Australia, the federal government has granted thousands of dollars for development of LETS, a computer barter system.

- **State:** Check the State Handbook for your state. Explore especially within economic development. Ask your state representatives.

- **Local:** During the Great Depression many local governments supported barter posts. You might request use of a storefront the city has acquired by tax default. Speeches, press releases and interviews locally will get your work better known, and prepare for such requests.

**CHURCHES:** Find out from ministers, pastors and/or office staff about grant programs. Some churches have a Social Action Committee which will listen to and can support your request. The Catholic Campaign for Human Development makes grants in every diocese. Here's a statement of their purpose:

"Proposals are sought for projects, organized and governed by low-income people, seeking economic and/or social strength and self-determination in their communities. The projects should address the basic causes of poverty and work to change unjust social structures."

**CHAMBERS OF COMMERCE:** Local currency can become a significant boost to local small business. Some chambers have a Small Business Council, and larger cities may have additional specialty business associations.

**ANGELS:** These are wealthy people who are enthusiastic about barter/local currency and who want to make it happen. Present them a budget and ask.

**BENEFITS:** Dinners, musical events, movie festivals, Barter Faires, car washes, carnivals, ice cream socials, block parties. Every town has someone who has organized such events. Ask around. Events need to be well publicized.

Remember, your community needs more income, people need to feel productive, and valuable to each other-- they need your help, and they want to help you help them. Good luck!



# TURBACK'S

"The Fashionably Frugal Restaurant"

March 1, 1994

Dear Ithaca Businessperson:

These are tough times for those of us who run small businesses, especially restaurants. At Turback's we are always looking for ways to attract new customers and increase revenue.

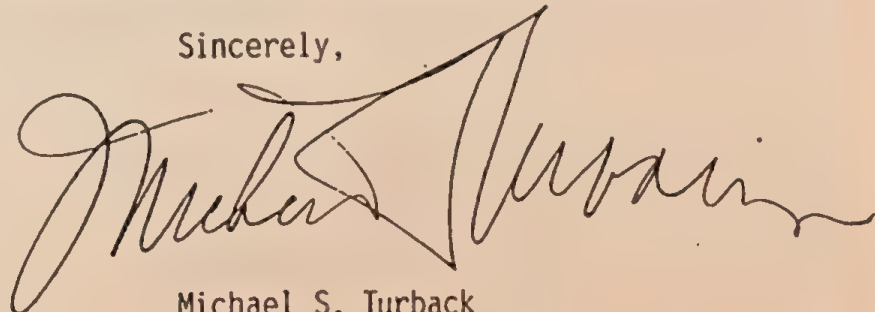
I have found an interesting source for both customers and revenue that I want to share with you. The customers are local people who are willing to barter for goods and services. The revenue is in the form of ITHACA HOURS, the barter currency.

My friend, Paul Glover, is responsible for the creation of a kind of alternative economy in our town. Paul has asked me to address the relevance of ITHACA HOURS to mainstream business. I will tell you, quite honestly, that by accepting HOURS, I have introduced my business to a large number of new customers. And at the same time my participation has had many other benefits. I shop at the Farmers Market for fresh, locally-grown produce. I found an exceptional person who cares for our indoor plants and does outside gardening and landscaping in exchange for HOURS. We have paid for carpentry, plumbing, cleaning, painting, trucking, and other odd jobs with HOURS. I even use HOURS to get a massage every Monday after the long weekend. Besides necessities, I find myself using HOURS for small luxuries I could not otherwise afford.

Using HOURS feels good. It's good for the community, and it's good for business. I urge you to join us in Ithaca's bartering process, no matter how big or small your business might be. Talk with Paul or one of the other folks who help to expand participation. Or call me. I will gladly answer your questions.

When you begin to accept HOURS, I hope you will remember to visit us---you can pay for your dinner in full at Turback's.

Sincerely,



Michael S. Turback

**"To Eat Is Human, To Digest, Divine."**

—MARK TWAIN

919 ELMIRA ROAD ■ P.O. BOX 2000, ITHACA, NEW YORK 14851  
RESERVATIONS (607) 272-6484 ■ FAX (607) 272-7724



*We reach to as much of the community as we can-- all ethnic groups, liberals and conservatives, rich and poor, professional and least skilled.*

# Creando la Democracia Económica con la Moneda Local

por Paul Glover

**Aquí en Ithaca, Nueva York,** hemos empezado a adquirir control de los efectos sociales y ambientales del comercio, con uso de más de \$52,000 de HORAS, nuestra moneda local, entre 1,000 participantes, desde 1991.

**Miles de compras** y nuevos lazos de amistad han sido creados, así como cientos de miles de dólares de comercio local se han añadido al Producto Local Bruto.

**Imprimimos nuestro propio dinero,** porque observamos que los dólares federales venían, pasaban por algunas manos y luego se iban contribuyendo a la deforestación y a las guerras. En contraste, los HORAS de Ithaca, permanecen en la región y nos ayudan mutuamente. Mientras los dólares nos hacen más dependientes de las corporaciones multinacionales y los banqueros, HORAS refuerza al comercio comunitario y lo expande, lo cual está más acorde con nuestras preocupaciones por la ecología y la justicia social.

**Funciona de la siguiente manera:** el Ithaca HORA equivale a un billete de US \$10.00, porque diez dólares por hora es el promedio de los salarios en el condado de Tompkins. Con los HORAS, en cinco diferentes denominaciones, se compran objetos para plomería, carpintería, electricidad, enfermería, cuidado de niños, alimentación, reparación de carros y bicicletas, lentes para los ojos, leña, regalos y miles de bienes y servicios más. Nuestra unión local de crédito los acepta como amortizaciones de los préstamos. También con ellos se pagan las rentas. Los mejores restaurantes de la zona los aceptan, así como los cines, los boliches, y dos importantes tiendas de abarrotes.

**El nuevo salario mínimo por hora;** proporcionado por esta modalidad, eleva el pago más bajo sin afectar a los salarios más altos. Por ejemplo, muchos de los granjeros orgánicos de Ithaca están pagando los salarios por fuerza de trabajo más altos en el hemisferio occidental: US \$10.00 de poder adquisitivo por HORA. Los granjeros se benefician de la lealtad de la agricultura local proporcionada por los HORAS. Por otro lado, los dentistas, los fisioterapeutas y los abogados que cobran más del promedio de US \$10.00 por hora, se les permite acumular varios HORAS cada hora. Pero a menudo escuchamos de servicios profesionales proveídos por nuestros salarios equitativos.

**Cualquiera que esté de acuerdo** en aceptar HORAS, recibe en pago cuatro de estos (US \$40.00) por estar en la lista de nuestro boletín "Dinero de Ithaca." Cada ocho meses pueden solicitar que se les paguen otros dos HORAS como recompensa por continuar participando. Esta es la forma como nosotros gradual y cuidadosamente hemos incrementado la oferta per capita de nuestro dinero.

**Nuestro listado de 1,000 participantes** que rivaliza con el directorio local de las páginas amarillas, es una muestra de la capacidad de la comunidad, trayendo al mercado tiempo y habilidades que no se emplean en el mercado convencional.

**Los residentes están orgullosos** del ingreso obtenido, disfrutando el trabajo que realizan. Vemos a cada

uno de los demás como un paisano, más que ganadores o perdedores luchando por los dólares.

**Las ya publicadas historias exitosas** de 250 participantes, testifican los actos de generosidad comunitaria que inspira nuestra sistema. Estamos creando una comunidad y a la vez una forma de vida. Estamos aligerando la desesperación social que condujo a un consumismo compulsivo y a la pérdida de recursos.

**Las tiendas de Ithaca** conservan más riqueza local, venden y obtienen un poder adquisitivo que de otra forma no pudiera tener. Nuestro órgano de gobierno, Barter Potluck (trueque en la olla de la suerte) ha donado más de \$4,000 de moneda local, a 20 organizaciones comunitarias.

**Así como descubrimos** nuevas formas de proveernos los unos a los otros, hemos reemplazado la dependencia en las importaciones. Nuestra gran autosuficiencia, más allá de una población aislada, nos da más potencial para llegar al exterior con una industria de exportación ecológica. Podemos capitalizar nuevos negocios con préstamos de nuestro propio dinero.



**Vemos a los HORAS de Ithaca** como dinero de verdad, respaldado por gente real, tiempo real, habilidades y herramientas reales. Los dólares, por el contrario, ya no están respaldados por oro o plata, sino nada menos que US\$5 trillones de deuda nacional.

**El dinero de Ithaca honra** nuestros rasgos locales que más respetamos, como las flores, las granjas y los niños. Los dólares honran las figuras del esclavismo (Washington, Jefferson, Hamilton, Jackson) y los monumentos del gobierno corporativo.

**Los HORAS multicolores,** algunos impresos con filigranas y papel de espadaña, todos con números seriados, son más difíciles de falsificar que los dólares.

**La moneda local es,** aparte de divertida, legal. Son susceptibles de impuestos cuando se trata de bienes o servicios profesionales.

**Implica mucho trabajo** y responsabilidad. Para dar a las otras comunidades en empujón, hemos estado proveyendo un "paquete casero iniciador de dinero local."

**El paquete explica paso a paso** cómo iniciar y mantener el sistema HORA, e incluye formas, leyes, artículos, procedimientos y ejemplos, así como temas del pasado y el futuro del dinero de Ithaca. Hemos enviado el paquete a más de 300 comunidades en 47 estados y nuestro ejemplo es una experiencia a nivel internacional.

*publicado originalmente en "La OTRA Bolsa de Valores"*



**LOCAL CURRENCY LAW IS THIS:** that HOURS may not look like dollars, and that people must report the dollar value of professional trades, as taxable income. News media have repeatedly contacted the IRS and Federal Reserve Board for their opinion of local paper money, and have always been told that it is not illegal. The book by Lewis Solomon (Rethinking Our Centralized Monetary System: the Case for Local Currency Praeger, 1996) includes an extensive case law description of the legality of local currency. Solomon is professor of legal research at George Washington University.

*As long as local currency is pegged to the dollar, they do not affect the fact that the monetary policy for the United States is set by the Federal Reserve System. Instead, it is acting very much like a bank, enabling borrowing and lending to occur that might not otherwise. It is quite likely that local currency is making people better off." --Warren Weber, Senior Research Officer, FRB of Minneapolis, letter, 7/2/91. Stan Mangel of the FRB of Kansas City says that as long as local currency does not look like dollars, "It's highly unlikely we'd ever become remotely interested in this issue" (Denver Post 9/20/94).*

One of our participants has suggested that the Barter Potluck ask for a seat on the Federal Reserve Board, and another has suggested we invite one of the Governors of the Fed to sit in our our meetings of the "Municipal Reserve Board."

## ITHACA HOURS: WHAT ABOUT THE LAW, AND TAXES?

by Bob LeRoy, Bob LeRoy Accounting Service

**Upon first hearing about the Ithaca Money alternative currency system**, some folks are concerned about the legality of HOURS use. Many have come to me for accountant's advice about the handling of HOURS, & I will summarize here the reassurances & pointers I have given them all verbally.

**HOURS ARE CASH.** Though the printed notes are not monotonously green like the paper cash most of us are used to, they are certainly a form of cash. Each 1 HOUR is assigned a clear, specific conversion-value of 10 dollars in U.S. currency, & this cash value is what is used for tax purposes. TREAT HOURS LIKE CASH! There is ABSOLUTELY NO REASON to file any Internal Revenue Service forms relating to "barter transactions" for your HOURS activity. If your HOURS earning or spending is for business purposes then the cash value of HOURS income gets mixed in with all other income, & the cash value of HOURS expended gets mixed in with all other expenses.

**WHENEVER YOU RECEIVE AN ITHACA HOUR**, ask yourself: "if this were a 10 dollar bill, would I report it as taxable income & pay tax on it?" If the answer is "yes", then add \$10 to your taxable business income & pay tax on it; otherwise ignore it on your tax returns.



**AND YOU THOUGHT THIS WAS ROCKET SCIENCE!** Well, it's not. The above is all you REALLY need to know about *HOURS* legality. The currency itself is perfectly legitimate. Remember that the simple fact that an *HOUR* is passing through your hands says NOTHING about taxability; it's the PURPOSE of the *HOURS* transaction which tells you what to do (Just as with 10 dollar bills!). For instance, if you somehow convinced the City Of Ithaca to accept a 1/2 *HOUR* for a parking ticket, that cost would NOT be a tax-deductible expense, exactly as it's not a tax-deductible expense when it's paid with a 5 dollar bill. (It is an avoidable expense though, if we take the bus or bicycle or limit downtown car use to after-6-p.m. or on weekends).

**ACCOUNTING FOR HOURS** is not rocket science either. Income-type purposes & expense-type purposes get sorted out & categorized in business records just like before, with no new complications added on those levels. What you now have, though, are simply 2 flavors of cash: vanilla & chocolate (well, let's say vanilla & carob). The U.S. currency & the Ithaca *HOURS* do need to get totalled separately (though they both will form a part of the single "cash" assets line in any business balance sheet) — mainly because Ithaca *HOURS* can't get included in bank deposits, except to a very limited extent at Alternatives Federal Credit Union. Ledgers which previously had separate columns for "checks received," "credit cards received" and "cash received," would now ideally add 1 more column for "Ithaca *HOURS* received". If there is already a ledger or simple list where petty cash spending (money paid out in U.S. currency, not by check or credit card) is recorded, then Ithaca *HOURS* spending may be recorded there too, simply asterisking or marking in some way (or putting into a 2nd column) those payouts which are via *HOURS*; there will always be 2 ending balances of petty cash remaining, 1 for U.S. money & 1 for *HOURS*.

**IF YOU TAKE HOURS HOME FOR PERSONAL USE,**  
just replace them from the cash register with dollars from your own pocket.

**CASH REGISTER REORGANIZING** is minimal. All cash registers seem to have tray slots for \$20, \$10, \$5 & \$1 bills. The simplest approach to filing away Ithaca *HOURS* collected at a retail business is to slide the 2 *HOUR* notes underneath the \$20 bills, the *HOUR* notes under the \$10 bills, 1/2 *HOURS* under the \$5 bills, 1/8th *HOURS* (= \$1.25) under the \$1 bills. That's all easy to keep track of. Only the 1/4 *HOUR* notes (\$2.50) remain, to be stored in whatever other slot seems uniquely convenient in your own cash register. If, by chance, you have a \$2 bill slot (Canadian & super-fancy cash registers seem to offer one), that would be perfect; otherwise just improvise a single other odd slot.

**WHENEVER YOU SPEND AN ITHACA HOUR,** ask yourself: "if this were a 10 dollar bill, would I report it as a deductible expense & thus lower my taxable income?" If the answer is "yes", then add \$10 to the specific kind of deductible expenses involved; otherwise ignore it on your tax returns.

## THE WALL STREET JOURNAL

### Community Groups Print Local (and Legal) Currencies

By ELLEN GRAHAM

Staff Reporter of THE WALL STREET JOURNAL

At the Fine Line Printing shop in Ithaca, N.Y., crisp new 1996 bills are coming off the presses. Valued at about \$6,000 and bearing an engraving of a steamboat, they will be stashed under lock and key at the local credit union until someone stamps them with serial numbers. Then they will begin circulating through the local economy as perfectly legal—and taxable—wages, rent payments, mortgage fees and pocket change.

Residents of Ithaca, a city of 30,000, have had their own paper money—in addition to U.S. dollars—since 1991. "We printed our own money to level the playing field," says Paul Glover, a writer who dreamed up the currency and helps oversee the system as a self-styled "community economist." The money is denominated in Ithaca Hours, with each Hour valued at the equivalent of \$10, the area's average hourly wage.

So far, Hours valued at a total of \$57,000 have been put into circulation. Instead of winding up in the coffers of distant corporations, Mr. Glover explains, Hours must be spent locally. "They stay in our region to help us hire each other."

At a time when giant banks and credit-card companies are working to perfect electronic cash that leaps national boundaries instantly and invisibly,



barter network known as the Valley Trade Connection has issued about 55,000 Valley Dollars—the equivalent of \$1 each—in the past year or so; users include everyone from Rotarians and grocers to belly dancers and clowns-for-hire.

"One thing you notice about printing money is that everyone is interested," says Tim Mitchell, a project manager at the Franklin County Community Development Corp., a nonprofit agency that sponsors the Valley trading network and currency. But he concedes that curiosity is often tempered by fears of being stuck with worthless scrip. When a restaurant in Amherst, Mass., began accepting Valley Dollars for 50% of patrons' bills it was quickly swamped; it now requires customers to pay a larger portion of their bills in federal dollars.

But nowhere is a local currency so entrenched as in Ithaca. Its notes, in five denominations ranging from one-eighth of an Hour to two Hours, have been earned and spent by some 1,500 people, including 300 businesses, says Mr. Glover. He estimates that they have changed hands in local transactions valued at \$1.5 million.



**THIS SHEET IS FOR BUSINESSES CONSIDERING HOUR ACCEPTANCE:**

# **Accounting HOURS**

**One HOUR = \$10.00**

**Half HOUR = \$5.00**

**Quarter HOUR = \$2.50**

**Eighth HOUR = \$1.25**

**Two HOUR = \$20.00**

**No special bookkeeping is required.**

Just count each HOUR received as \$10.00 value.

**Handle HOURS any of three ways:**

- ◆ Enter HOURS as "undeposited funds" (petty cash).
- ◆ Deposit HOURS in an HOUR Safekeeping Account at Alternatives Federal Credit Union (273-4666).
- ◆ Buy HOURS from the drawer with dollars from your pocket. Carry them with you to spend for business or personal needs.

**If you want to track HOURS in/out  
or have an HOUR key on your cash register,**

you might call \_\_\_\_\_ accounting department at \_\_\_\_\_,  
or Alternatives Federal Credit Union (\_\_\_\_\_ at \_\_\_\_\_),  
or \_\_\_\_\_ (\_\_\_\_\_ at \_\_\_\_\_).

**To make HOUR change or replace damaged HOURS,**  
visit Autumn Leaves Used Books (108 The Commons),  
or Alternatives Federal Credit Union.

**For further information about HOURS,**  
contact Paul Glover at 272-4330  
[hours@lightlink.com](mailto:hours@lightlink.com)



# The HOUR Money Network: Consulting by E-mail

Once you've started to organize local currency in your community, you're welcome to call or email with any questions based on your specific situation, that might not already be answered in this book.

Dozens of local currency groups are trading ideas online. Here are sample replies from Ithaca:

## SERIAL NUMBERS

**Q:** Hi, this is Jill in Bolinas, home of Sand Dollars based on your HOUR system. I have a question. Our first issue of Sand Dollars was three months ago. I religiously entered the serial number of each note and to whom it was issued and the date of issue. However, I do not know what purpose this procedure serves. Please enlighten.

**A:** Serial numbers also emphasize that the notes each have a distinct identity and are not arbitrary pieces of paper. They declare that these notes are not handed out at random— that they are distributed systematically.

They make accounting the disbursement of HOURS more accurate. Imagine when your currency represents a sizeable proportion of local trading, and when many people rely on it for a significant part of their income. Then the system can be audited, and the accuracy of office staff more readily verified.

Serial numbers make it more difficult to counterfeit large numbers of notes.

Rubberstamping date of issue is another way to make notes less anonymous, and to detect counterfeiting by changing the color of date stamped each month.

These considerations probably seem less urgent in a small community like Bolinas, especially in your first year of operation, but they are one of several ways you indicate your intention to establish a money system that people can trust.

## PAYING HOURS TO LOCAL CURRENCY STAFF

**Q:** I have always heard that it is not okay to pay HOURS to the promoters of the system for their time but I cannot see how anyone can do all this unless they are independently wealthy. It also doesn't seem fair to me

that when we talk about people trusting in each other and providing for each other that "invisible" work like this doesn't get repaid.

**A:** Agree, system managers should get paid well, but I've recommended that this compensation come from:

- community/state/national foundations,
- display ad sales,
- T-shirts & bumper stickers,
- tax-deductible donations from individuals,
- or a position sponsored by your local government, food co-op, NGO social service agency Chamber of Commerce, or credit union.

To issue local currency to oneself for any significant part of time worked has seemed to me to risk inflation. If I had been paid even 20 HOURS per month since we began (67 months), then 1,340 HOURS would have been issued through me, which would be 21% of all HOURS issued to date.

We have a 5% cap on HOUR grants to the system itself, and most of this has gone for printing HOURS. Some HOUR systems pay a token HOUR stipend.

I imagine local currency systems will thrive to the extent they can balance regular income with central values of ecology and social justice. If they provide pleasant part-time paid work then there'll be reliable replacement workers for decades of operation. But if local currency workers are too impoverished, then they will drop the ball. At the other end of the scale, were local currency systems to become mere money machines, then they'd be tempted to sell themselves to corporate america.

## ROLE OF GRANTS TO FUND LOCAL CURRENCY

**Q:** You've recommended we seek grants to operate local currency programs. But doesn't that just serve to continue in a subtle, and yet equally invasive way, the "control" of the official currency? If the success of the local currency system depends on support from the official currency?

**A:** Rather than continue the control of official currency, we lay a groundwork for decreased dependence. It's a transitional process rather than an overnight revolution. I call it underthrowing the government. HOURS are potentially separable from dollars, were there a hyperinflation.

## PREVENTING AND CONTROLLING INFLATION

**Q:** Darren here from Gainesville. What is inflation?

**A:** In HOUR systems, the perception by any participant that they have more HOURS than they can readily spend.

**Q:** What exactly are the perils of inflation?

**A:** That the participant would cease accepting HOURS or reduce the proportion they accepted, and that they would disparage the money among friends, and that others would follow them in ceasing to accept local money. If the participant ceasing to use HOURS is a prominent retailer, then the damage of such a chain



reaction is greater.

**Q:** What are the signs that inflation has occurred in a local currency?

**A:** That one or more persons are reluctant to accept the money.

**Q:** How is that prevented?

**A:** • Issue the money gradually rather than in big chunks  
• Suggest to prominent retailers that they start by accepting HOURS as a small part of their price (25%, maximum 1/4 HR, etc) so that the HOURS come in gradually, at the rate they can easily re-spend them.

• Follow up with the most prominent participants and ask them how they're doing with their HOURS-- help them explore the list (Personal Shopping List) and offer to find what they need that's not yet on the list. By this process we've converted several businesses from reluctant HOUR participants to enthusiastic cornerstones of the system. • Encourage people to spend HOURS widely rather than always at one or two favorite places.

**Q:** If inflation occurs, how is it reversed?

**A:** • Buy some of the HOURS with dollars from the person or store with "too many." • Ask participants to buy HOURS from such shops, and/or to ask for HOURS as change. • Ask the participant to further reduce their HOUR rate, though this is a last resort since it reduces the credibility of HOURS.

**Q:** In the money conference, Bernard Lietaer spoke about the dangers of inflation with issued currency that's not present in a program like Time-Dollars (the Edgar Cahn concept that is a tax-exempt service exchange). If I understand, the reason there is no inflation problem in the TD program is that there is always a credit and a debit for real services provided. It would seem then, that money paid to real workers in the system would not be an inflation factor because they have provided a service. What don't I understand here?

**A:** Theoretically that's so. On the street level, though, all money issued must move about in a reasonably balanced way. That is, any accumulations of HOURS must be satisfactorily re-spent. If the supply is too huge too suddenly, accumulations can become too large too chronically, thus the money less respected/accepted.

**Q:** Exactly! How do we find and keep the balance? This is where I find that it ultimately comes down to personal responsibility. To the extent that I can give myself and my gifts to the community without resentment, (and that seems to be related to how much I trust that the community members are committed to doing the same, and therefore a confidence that my needs will be met) then the foundation of "community" supports the system, and it does not become an impersonal money machine. But I think it is the fear of scarcity that would propel us into the later.

**A:** I regard community organizing as the best social security plan available. Locally-controlled money, locally-controlled nonprofit health financing/care, locally-controlled fuel systems, limited-equity housing,

Community Supported Agriculture, co-ops and worker ownership, among other things, provide a safer society to grow old in than one dominated by bureaucracies and multinational corporations.

## **RETAIL/PROFESSIONAL PARTICIPATION**

**Q:** Why involve retailers and other businesses? Why not just develop the informal sector?

**A:** While the best benefit to grassroots economic development and social cohesion comes from trading among nonprofessional individuals, the presence of storefront businesses serves our long range aims several ways:

- dramatizes the credibility of HOURS as money, prompting their acceptance and utilization outside the retail sector

- stabilizes the backing of HOURS, since businesses tend to operate and maintain the same address and phone number for longer periods than do individuals

- permits therefore issuance of greater quantities of HOURS through community organizations which have lost state or federal grants

- permits as well the issuance of larger zero-interest loans to help new people start up businesses

- provides thus a stronger foundation to the utilization of HOURS to eventually purchase land to be held in farms, allow us to expand our Health Fund eventually to hire doctors and open our own clinic, and other public works not currently the priority of conventional financiers.

- The businesses affiliated with HOURS have participated in HOURS both because and notwithstanding that the editorial content of HOUR Town has promoted ecology and social justice (equal pay and higher minimum wage), and opposed banking abuses, charging of interest, warmaking, highway expansion, and so forth.

## **INSTITUTIONAL PARTICIPATION**

**Q:** Wow, Paul, Great news about the hospital. I really look forward to something cooking in this regard here in Asheville. Thanks, Arjuna at Earthaven

**A:** Check to see how fiercely your local/regional hospitals are competing with one another. Are they struggling for revenue? Do they have lots of unpaid bills? Does Asheville have lots of alternative/complementary health providers who are taking business away from the hospital because they are cheaper and/or more trusted? Are conventional insurers (Blue Cross, etc) gouging the hospital?

When I began to network the Health Fund I approached Cayuga Medical Center about helping take leadership to boost it. Participation in the Fund and HOURS underscores their standing as our community-based hospital (rather than a satellite), and announces that they share our concerns about high costs of health care, and are open-minded about health care modalities.

Their acceptance of HOURS follows several



meetings with the hospital director, its Vice President, the M.D. in charge of the Convenient Care center, the head of accounting and the head of purchasing. One of these meetings was at the Credit Union, whose president gave an effective description of the mechanics of HOUR accounting and utilization.

One of the members of the Fund's board of directors is president of Ithaca Life Underwriters (insurance agents' organization) who says that people are calling all day long trying to buy health insurance that they can't afford, and that she herself prefers complementary medicine.

It's become apparent that within many topheavy institutions which we have regarded as hostile (even national corporate media) are people who are as fed up with institutional constraints, and who understand that times are changing. They'd also like to have a little fun. Local currency and local economic development can help them do both.

### **MONEY DESIGN**

**Q:** I am a local artist working with a coalition of non-profit organizations to design "Brooklyn Bucks" as part of a local economic development plan, and Ithaca Hours are truly inspiring! Beth

**A:** Good to hear from you. My design recommendations for local cash are these:

- Each denomination should be distinct in design and color scheme from the others.
- Include as many colors as you can afford.
- There's thermal ink available from Dyna-Color (607) 266-8045. This disappears briefly when touched or photocopied. We use spot thermal on back.
- Some currencies use an embossing stamp.
- Paper with rag content would make it stronger.
- If you use any handmade paper, you can consider including a watermark.
- The denomination should appear in big numbers/letters (especially if you call your HOURS Bucks, which necessitates clarification as to whether they are dollars or HOURS).
- Wallet-size is best, so that the notes don't have to be folded. We learned this the hard way: 1991 notes are twice as big as subsequent notes, and they'd bust our pants to carry more than a few.
- Some local currencies have printed on them that they are "legal tender." HOURS are at least not illegal tender, and Ithaca's HOURS have the protection of the District Attorney as a financial instrument, but "legal" may stretch it. I've called Ithaca's cash "useful tender good for many local needs."

- Otherwise, have fun. I aim for a combination of dignity and informality and functional clarity.

### **SELLING LOCAL CURRENCY**

**Q:** Somebody from out of town just asked to buy some HOURS as souvenirs, and I refused them. Maybe I shouldn't have. It seems we could become like those little stamp making countries who live on selling their commemorative postage stamps.

**A:** If the purpose of printing HOURS were primarily to get rich by adding to the pile of trinkets and novelties in our landfills, then such sales would be not constructive. But again, I see it as another way both to raise money for rebuilding local economies on a better base, while spreading our message.

**Q:** The price you got for a complete set in Ithaca would have almost paid for half of our printing. I wonder what is a fair price and how do we figure it out. -David

**A:** Price correlates to rarity of the note (quantity printed), type of paper (especially handmade), design of note, prominence or obscurity of the system (publicity), signatures (someone famous/infamous), and perceived historical significance.

Premium prices are also paid for uncirculated notes, for special variations (our 1991 Half HOUR has an unintended variation in 40% of the notes), for errors (upside-down reverse, off-centered or well-centered image, etc), good strike (especially in letterpress), and for unusual serial numbers (00001, 3333, etc).

Collectors also pay extra for uncut sheets. We have several unique uncut sheets that I would sell for no less than \$1,000, and a few sheets of the Two HOUR on cattail paper that I'd value at \$800. Not in a rush to sell these, but would not be surprised at an offer: some collectors specialize in local notes and tokens.

Any local currency should of course be sold for at least face value, plus postage and handling. Ithaca notes which have been circulated are available for at or near face value.

We've gotten into the higher prices because we've had two or three editions of most denominations since 1991, because of media attention, and because some of these notes are extremely hard to find uncirculated.

### **PLANNING AND ACTION**

**Q:** I have been following the e-discussion of incorporation and I have read about the project in Great Barrington that was carefully tested and planned each step along the way. Here in Gainesville we have done the reverse. We have gone ahead and printed Gainesville Hours and begun distribution without a lot of bureaucratic layering and planning. What are the dangers in this sort of approach? Thanks, Darren Burgess

**A:** Probably less than the dangers of a lot of bureaucratic layering. Just follow your common sense and listen to the community. Proceed as with checkers or chess, any strategy game-- if-this-then-that. Consider the implications of policy, but don't get bogged down in fathomless analysis. Make mistakes and correct them, expect surprises, for better and worse.

**hours@lightlink.com**



# Big Problems

air pollution  
animal extinction  
child abuse  
child labor  
corporate greed  
crime  
debt  
deforestation  
disease  
domestic violence  
drugs  
divorce  
farm & soil loss  
food shortage  
fuel shortage  
global warming  
incinerators  
job loss  
medical coverage  
oil spills  
overpopulation  
ozone depletion  
pesticides  
political corruption  
poverty  
racism  
sexism  
traffic jams  
war  
waste disposal  
water pollution  
weapons sales

# Need Little Solutions

barter  
bicycles  
birth control  
bioregionalism  
citizen diplomacy  
compost toilets  
credit unions  
farmer's markets  
**health fund**  
hemp fiber  
land reform  
**local currencies**  
military conversion  
naturopathy  
neighborhood industry  
organic farms  
permaculture  
precycling  
proportional voting  
recycling  
solar power  
sweat equity  
trolleys  
TV turn-off  
union democracy  
urban agriculture  
wind power  
worker ownership  
you!





# YOUR DREAM JOB

Do you like your job? Lots of people do, and lots don't. Most people probably want to move along to something more rewarding, or different, but they haven't thought clearly about what they really want. Or they don't think it's possible.

These days many of us feel lucky to have any job at all. More than 3,000,000 well-paid U.S. jobs are lost yearly, replaced by lower-paid grunt work. Today the nation's largest employer is a temp agency. For the millions with dull jobs, life is frustrating. Our dreams have been crushed under stacks of bills. Our creativity is bottled up, or drowned in a bottle. Frustrated people often become cynical and abusive.

When steady employers drop us, we're expected to shuffle to the employment office, check help wanted ads, retrain and relocate. We're not usually taught how to do what we really want to do.

Ithaca's HOURS are part of a network of abundance, a treasury of local skills that can make our dreams happen. We can become resources for each other, rather than competitors for scarce dollars. Ithaca Money talked with area residents recently about their dream jobs. The more they talked, the more they became clear about what they wanted, how they wanted to live, how this community could help them, and how to begin.

And here's what we asked them:

- ▶ What would your dream job be? No limits
- ▶ What responsibilities would you have?
- ▶ Would you work alone or with others?
- ▶ How many hours of work? Of play?
- ▶ What satisfactions would it give?
- ▶ Would your business be your own, or a co-op or partnership?
- ▶ What income would you need? What would you own?
- ▶ How would you live? What kind of house and community?
- ▶ What resources/tools/and skills do you need?
- ▶ What personal/social/and financial limits are in your way?
- ▶ What can you get by bartering and relying on local resources?

Remember, we emphasized, you're creating more than a job. Together we're creating better ways of living, and a community network that allows us to help each other get the life we really want.

Jon's dream job would be to join a rural community that lives simply and creates income from the land in a way that respects nature. "It would be a situation where children could grow up learning to trust themselves and to know their connection with the rest of the earth." He'd like to adopt children "There are a lot of children who need homes, support, love."

"To work with a dream with equanimity is a challenge," he says. "Better to take it a step at a time, let it unfold." At first, he'd start small, making miso (fermented soybean product) and Essene (sprouted grain) bread. Then he'd get involved with friends who are farming.

"Sometimes I want to let go of this dream, to be 'realistic' and function well in the world as it is. Part of going toward a goal is being flexible, able to go with the situation. Seems easier to do the things that are more well accepted in today's culture—going to school, getting a regular job."

So I'm learning to make peace with the world as it is, learning to accept, but also working with dream and re-creating the world as I want it to be. It's easy to keep busy working, easy to withdraw.

Asked what he needs in order to start, he says "Ithaca's full of talented people you can get help from: tools, experience with business, marketing, raw materials, loans." A friend recently offered him the use of a Health Department approved kitchen.

Durga earns half her income as a professional dancer and teacher of dance. She works part time in an office: "office jobs are contrary to a dancer's body." Her dream job is to teach dancing in her home, especially to kids: "Lots of kids aren't in shape these days, they're playing Nintendo, not running outside." She'd barter lessons for what she needs, so more parents could afford her: "a lot of repair people doing barter are better than businesses in the Yellow Pages."

She's optimistic about making a living teaching: "I already have three



students waiting, and five students would be enough." But she says "I have no lump sum set aside for taking business risks, and I just bought a house."

At the same time, she recognizes that her present job is vulnerable to federal funding cuts, and she needs to go the independent route, though getting insurance would be tough.

To start her dream, she'd need help publicizing her lessons: "I'm rather lazy on the PR side—dance takes so much focus." Dancing at the Ithaca Festival would be good publicity, she believes. Maybe she'll drop one day of work at the office, and start her dream on a three-day weekend.

Dave runs a machine shop in Interlaken, employing eight people who build guitar parts for which he has patents: "Fender and others have quit buying Chinese parts and buy from us now, even though we cost 10% more."

He started as a musician, and found more income selling guitar parts (first to friends, then trade magazines) than performing. Now he's so busy ("we're swamped with work, our new tuning peg is doing very well") that he has less time with family ("I raised this calf to a bull, now I got to ride it"). His dream job would be as guitar parts designer, creating "one really good patent" to sell to a company for a 3-7% licensing fee. Then he'd travel more.

Mary would love to be a travelling teacher who does water quality testing with kids. And she wants to live self-sufficiently in the country, though she'd miss the city. Today she's a wandering secretary with a temp agency. "We all have great potential. The universe wants us to be doing what we love, and I don't want to settle. When people are stuck in drudgery, we drag each other down."

"I'm still working out my path—a farm in the city? I need to sit down and get my goals more clear." Recently she took her ideas for teaching water testing to Co-operative Extension, and they said they had just thought about hiring someone to test water with kids one week earlier.

Kira is a high school sophomore who wants to be a writer. "I'd write fiction mainly, like children's books, but maybe biographies of strong women who helped a lot of people. My books would show faith in life, faith in yourself and in your integrity." She won a BOCES writing contest with an essay about imagination: "the main idea was that there are things that we do as children that we should keep alive all our lives." She writes in notebooks a lot and takes creative writing classes. Her favorite authors are Natalie Goldberg and Tennessee Williams.

Like many people, she suspects her dream job is a "romantic fantasy," but says she's "read books that have really changed how I see things and how I accept life," and she hopes to write books like these. "There are too many crappy books about things that don't really matter, to just make money. But writing can help people, and I hope I can do that."

She knows there are magazines that publish young people's writing, and thinks majoring in English, and then teaching writing, might be part of her direction. She appreciates that there are a lot of resources and mentors in Ithaca. "Ithaca's a town with personality; you know lots of people but you don't know everyone, there are always new people coming in."

## Inside: 120 MORE Ways to spend your HOURS:

The more widely you spend HOURS, the stronger our network becomes. Spread 'em around-- find your food, gifts, fun and friends in new places! If you're not earning many HOURS and would like to spend more, you can earn HOURS selling used books to Autumn Leaves Used Books (Commons), and you can buy HOURS from GreenStar, Oasis, Turback's or 3-D Light.



# Ithaca Health Fund Rebuilds Local Safety Net

locally-controlled non-profit



general members  
provider members  
support businesses

mutual health financing



by Paul Glover

**We're starting a local non-profit fund** to pool our money to reduce our health costs, to support each other, and to make healthy living easier.

Costs of health insurance and care have risen by half this decade. Thousands of Ithacans have no medical insurance, and many others are exposed by poor coverage, with high deductibles. A random poll of 95 Ithacans found 36% uninsured, and 98% without dental insurance. Many people find their preferred providers and therapies not covered at all.

So we're going to build our own safety net, much as the Amish do. Their communities have created medical "assurance plans." Some Amish gather quarterly to total their community's doctor and hospital bills, where they calculate each family's contributions according to ability to pay (*Wall Street Journal* 12/22/95, p.1).

The U.S. health "industry" is the nation's largest: over \$1 trillion (\$1 million million) yearly, or 14% of GDP, is fed to a system more organized for profitability than public need. Medical costs have been driven beyond our reach by medical specialization and technology, by the greed of insurance and drug companies, by bureaucratization, and by lawsuits that rise from consumer frustration.

Therefore our Fund will proceed systematically to make preventive and innovative health care more affordable, and to recapture health insurance premiums for local health purposes. The Fund will be governed by a local board of directors (representing different health sectors) elected by members at the Health Fund's annual Health Festival. They will adjust the policies presented on page three, to maximize member benefits.

Funds collected for fees will be held in escrow, returnable upon request until the first 50 providers and 100 members are enrolled. Then the Health Fund will be activated to provide its first compensations. These will take two forms.

**First, discounts for services and goods:** especially those services not yet covered by conventional insurers but which are preferred by area residents. Most services we're proposing to include are on the "menu of services" on page 3. And we'll emphasize preventive care, to reduce our need for costly acute care.

**With a properly balanced discount system,** benefitting all participants in a mutually satisfying way, we'll create general local price reductions and thus increase discretionary income. Those health providers who give discounts to Health Fund members will themselves receive discounts from an additional list of support businesses (see diagram).

**Secondly, payment for acute care:** ambulance and emergency room use for heart attacks and broken bones during the first year, then expanding gradually to compensate for services that are most desired and less insured: dentistry, chiropractic, massage therapy, herbal medicine, and so on. We'll be able to do this as we explore the supply and demand for payments. Expanding year by year with the good will of the community, the fund will hold not only membership fees, but tax-deductible donations and bequests, and inflation-indexed loans for local health care development.

**The plan moreover includes flexible payment options**—not merely dollars, but also community service, home visit credits, barter and HOURS. These are more fully described on the next pages, and on the membership form and web site.

**Every year roughly \$50 millions** of Tompkins County income are spent for medical services, prescription drugs and medical insurance policies (1990 Census; NYS Dept. of Insurance). That's about \$500 per Tompkins County resident. Imagine if this money were dedicated directly to keeping us healthy instead. These millions could establish a series of free clinics, like the 225 free

clinics in the U.S. which provide quality health care to low- and medium-income people for a fraction of typical costs. This money could provide complete health coverage locally, with the Health Fund eventually employing salaried doctors to provide free services.

**Back in 1929 a farmer's union** in Oklahoma started the Elk City Co-operative, which hired doctors to provide medical care on a nonprofit basis to all members. When the AMA tried to block Co-op physicians' access to the hospital, the co-op sued successfully (*Medical Care and Family Security*, p. 229). Based on conversations so far, we expect constructive collaboration with local medical providers. Several local physicians already follow the fine tradition of community doctors who charge what patients are able to pay.

**We're also compelled to create this fund** to help each other locally because Congress more prefers to protect us with weapons than with healing. Federal military spending takes 52% of the budget (past wars and war debt, plus present spending), while health gets 16%. Were \$100 billion/year transferred from the military (\$20 billion/year for nuclear weapons alone, etc.) toward health coverage, all 40 million uninsured Americans would have full health coverage, and all the insured would pay no deductibles (*U.S. Government Accounting Office: Canadian Health Care: Lessons for the U.S.; Physicians for a National Health Program*).

## Free Choice in the Health Market

**Ithaca's medical doctors and technologies** have saved many lives and relieved much pain, yet many area residents feel the need to explore beyond conventional treatments when these have not cured. Even many medical doctors now believe that there's an important role for responsible, credentialed alternatives. Several local physicians are members of the American Holistic Medical Association. Today, former U.S. Surgeon General C. Edward Koop, M.D. is developing an alternative medical center at Dartmouth College.

**Preventive care and lower-cost innovative therapies** will also save us money because low-income patients otherwise wait until symptoms are acute, then resort to expensive pills and surgery at public cost. In New York state, the Foundation for Advancement of Innovative Medicine has successfully lobbied to pass an "Alternative Medical Practices Act" which gives physicians broad powers to prescribe any care that "effectively treats human disease," which includes many complementary therapies. Thus insurance companies are required to cover chiropractic and other treatments having standard protocols (see FAIM's web site). The NYS Dept of Insurance has a "special complaint unit" which enforces payment of such claims. NYS Senate Bill 5232 would mandate reimbursement for off-label and experimental drugs. Some insurers have opposed such coverage, fearing an overload of claims and cost increases. However, Mutual of Omaha has found they save \$6.50 for every dollar spent covering nonstandard 'holistic' treatments. That's because, according to Marc Micozzi, M.D., "effective use of alternative care can increase member health, reducing premiums" Moreover, says Barry Jacobs, M.D., "In the course of complications of drug therapy, patients who haven't been offered alternatives have started to sue for negligence" (*Vegetarian Times* 10/95).

**Sixteen states now allow insurance companies** to cover alternative therapies, ten states license naturopaths, and the state of Washington also requires coverage by insurers of such complementary health care as acupuncture, and massage. Says Merrily Manthey, trustee of a large Seattle hospital who supports naturopathy, "people want to get well in a world where costs and an obsession with high technology are forcing cutbacks in conventional medicine" (*NYT* 1/2/96).

**While alternative therapies** have already proven to be powerful healers preferred by millions (one third of

continued on next page

**Ithaca Health Fund**  
member payments  
donations  
loans

discounts  
by health  
providers  
to members  
•  
by support  
businesses  
to health  
providers  
•  
patronage  
of support  
businesses

payments  
**FIRST stage:**  
emergencies  
**SECOND:**  
dental  
**THIRD:**  
chiropractic  
**FOURTH:**  
massage  
**FIFTH:**  
herbal  
**SIXTH:**  
other

## Fund Targets

**FIRST YEAR:** 500 members  
Fund total \$50,000  
maximum payment \$500  
**SECOND YEAR:** 1,000 members  
Fund total \$150,000  
maximum payment \$1,250  
**THIRD YEAR:** 2,000 members  
Fund total \$400,000  
maximum payments \$5,000  
**FOURTH YEAR:** 3,000 members  
Fund total \$650,000  
maximum payment: \$7,500  
**FIFTH YEAR:** 4,000 members  
Fund total \$1,200,000  
maximum payment \$10,000  
**TENTH YEAR:** 10,000 members  
Fund total \$10,000,000  
maximum payment \$75,000  
**FIFTEENTH YEAR:** 20,000 memb  
Fund total \$40,000,000  
maximum payment \$250,000  
• • • • •

These projections will be met faster or slower according to rates of sign-up, rates of donation, rates of inflation, membership fees, and policies set by Board of Directors.

## Strength in Numbers!



## Fund Structure

### locally-controlled:

The Ithaca Health Fund will be steered by a Board of Directors representing all local health sectors, elected at an annual meeting of Health Fund members.

### non-profit mutual health program

The Health Fund will be a nonprofit corporation dedicated to helping Ithacans help each other to achieve, maintain and regain good health.

### reducing premium costs:

As more of us are able to rely on the Fund for more health needs, we'll be able to reduce our payments for more expensive conventional health insurance coverage.

### providing discounts on health treatments and goods:

We're creating a menu of local health providers who will give discounts to members of the Fund.

### flexible payment system, including barter and HOURS:

When health providers and Fund members sign up to participate, they fill out a form which describes any direct swaps they'll consider as part or full payment, and which they could provide as payment.

All participating health providers agree to accept Ithaca HOURS for at least 10% of services or 5% goods.

### promoting preventive and innovative treatments:

Most of our health providers promote healthy living and offer innovative therapies. We believe that real health care is more than pills and surgery. We will make alternatives easier to afford.

### making payments for specified most urgent needs:

During our first year of operation, the fund will make payments for ambulance, broken bones, and heart attacks. Every year thereafter, as the Fund grows, the range and amount of payments will expand.

### expanding with Ithaca's desire for high-quality universal health coverage:

Your participation as a general member, as a health practitioner, as a support business, or as a donor to the Fund, will allow us gradually to redirect millions of dollars toward prevention of illness and toward coverage of all local health needs, for all residents without charge.

Ithaca Health Fund will be 501(c)(3), with volunteer board (later elected). Board members shall include the following as available: massage therapist (1), herbalist (1), complementary therapists (2), allopaths (1), dentist (1), Farmer's Market farmer (1), retailer (1), at-large provider (1), at-large non-provider member (5), Fund mgr. (1). They will set membership fees, make guidelines for credentials, for payments, and for claim review.

There will be one annual membership meeting, at the Health Festival.

Fund will receive tax-deductible donations of dollars and HOURS to pay for deductibles.

Fund will make loans to participating health providers, without charging interest above inflation.

Fund employee/s will collect fees and disburse payments, maintain database, expand system, organize the annual Health Festival, and will maintain Time Dollar accounts.

Payments to Fund employee/s will never exceed ten percent (10%) of total fees on account.

A notebook for public comments on the quality of all area health providers will be available.

Financial records of the Health Fund will be seen on its worldwide web site.

# Ithaca Health Fund

## Menu of Proposed Provider Discounts

These health providers are being invited to establish the Fund discount program (10% unless noted otherwise)

### Treatments

chiropractic, podiatry, acupuncture, physical therapy, homeopathy, reflexology, naturopathics, kinesiology, colonics, herbal medicine, shiatsu, ayurvedic, biofeedback, indology, flower essences, osteopathy, etc. birth control & abortion/options, STD tests, prenatal, midwifery & homebirth, sterilization, immunization, hospital equipment (crutches, etc), eyeglasses & exams, GPs & specialists (5%), dentists (5%), nurse practitioners, home health aides, mental health professionals, 3%: Cayuga Medical Center, Community Care Center, Guthrie Medical Group (Lansing), ambulance services

### Stress reduction

massage, acupressure, Reiki, reflexology, bodywork, stretching, yoga, saunas, counseling, meditation, hypnotherapy, conflict resolution (CDRC), child care, F & C Ctr

### Exercise

health/fitness clubs, bike shops, RIBS membership, FLT club, fitness trainers, skiing, bowling, tennis, bicycling, hiking, soccer, etc. exercise equipment (5%), push lawn mowers, garden supplies (5%) push lawn mowers, light physical labor

### Diet

GreenStar and Oasis (1% for produce, bulk & health aids), Farmer's Market (5%), CSAs (5%), restaurant vegetarian meals (5%), specialty (allergy-free) home cooking, vegetarian/vegan nutrition counseling, vitamins (5%), water filters

### Air and water quality

nontoxic house cleaning, bus passes, compost toilets, organic cultivation, energy efficiency & insulation

"The plan to establish a health safety net through a membership organization may very well be a viable approach to address the needs of the underinsured and uninsured in our community, and to provide a way to cover costs for alternative protocols not yet recognized by major insurers. Most important, it is a local response to a locally-recognized need. We look forward to working with the steering committee." Bonnie Howell, President and CEO, Cayuga Medical Center

The Ithaca Health Fund is an absolutely necessary service to Ithacans who are already using alternative methods of health care, and should encourage a wider community to participate in preventive health measures.

The Fund can become an alternative to the expensive and oftentimes inhumane managed care insurers." Jacqueline Melton-Scott, director of the Southside Community Center, Inc.

## Health Fund (continued from cover)

Americans have used them, according to the *New England Journal of Medicine*, the medical industry dismisses most as "unstudied and unproven." The AMA and the American Cancer Society have, however, historically opposed clinical testing of alternative treatments, to keep them marginal.

The AMA has dismissed alternative therapies as "a kind of ecoterrorism that extols women's intuition and mysticism as superior to male-dominated medical science" (*Alternative Healing Methods*, 1993). Nonetheless the Department of Defense allocated \$355,000 to study the benefits of Therapeutic Touch on burn victims (*Time* 11/21/94), because independent double-blind tests have already proven the efficacy of this and related care. For example, *Discoveries in Medicine*, a publication of Mutual Benefit Life, featured "Nutrition & Cancer: the Gonzalez Study," which found that of 455 "terminal" cancer cases, most were cured by the nutritional therapy of Dr. William Kelley. This study, "widely regarded as the finest case review ever conducted concerning an alternative therapy," was led by Nicholas Gonzalez, M.D., of Columbia, and Cornell Medical.

Most medical doctors are hardworking, capable and considerate, and their skills when we are seriously injured are worth any price, but there is more to good health care than pills, machines, chemicals and blades. Dr. Christiana Bernard, first to successfully transplant a human heart, has said, "Today's doctors have been blinded to reality by technological gimmicks. Medicine's real foundation has been obscured under its fixation with space-age technologies" (*One World: Health & Human Survival*).

Ithaca's physicians are highly valued, especially for urgent cases, but today Ithaca has also hundreds of skilled practitioners of alternative or complementary medicine whose prices are affordable, whose sincere caring is part of healing, whose skill is proven to the satisfaction of thousands of area residents. These therapies are the first choice for many, and the Ithaca Health Fund will help more people to keep healthy by selecting their own preferred treatments.

We can force a system which brings together the best of all these healing traditions, cooperating respectfully to keep us and our children healthy at prices we can easily afford.

If you'd like to help establish the Ithaca Health Fund, either as a health provider, general member, support business, donor or lender, send in the form on the next page with your payment. Funds will be held in escrow, returnable on request (less \$5.00 fee) until the first 50 health providers and first 100 general members are enrolled. Then membership cards will be issued, and we'll begin to receive discounts and payments.





Who works  
**HARDER?**

Who's more  
**SKILLFUL?**

Who's more  
**VALUABLE?**



Who  
**DESERVES**  
more?

## FAIR PAY FORUM: Winner Take All? Maximum Wage? HOUR per hour?

by Paul Glover

The HOUR system was created to emphasize that everyone's honest hour of labor deserves to be paid enough for dignified living. HOURS remind us that society is healthier when people are treated more fairly, with less extremes between highest and lowest pay.

Referring to the fact that America's richest 5% of families earn 20% of total income, while the bottom 40% of families earn just 15% of total income, Labor Secretary Robert Reich said, upon leaving office last month, that the Clinton Administration's "unfinished agenda is to address widening inequality" (NYT 1/9/97).

Throughout history, societies have realized that when there are a few rich and many poor, violent revolutions result. To prevent these, they have ritualized the fair distribution of wealth. The Kwakiutl Indians of the Pacific Northwest honored the rich only when they threw huge parties to give everything away. Plato declared in *The Laws* that society was strongest when the richest earned a maximum four times the lowest pay. Aristotle favored a five-times limit. The Bible says that since God owns all land (Leviticus 25:23), a Jubilee is required every 50 years, to return all land and forgive debts (Leviticus 25:10-34). The Bible forbade charging interest to the poor, or selling them food for profit (Leviticus 25:35-37). Similarly, in 1942 President Franklin Roosevelt proposed a Maximum Wage—100% tax on all income above ten times the minimum wage. Today the proposed Corporate Responsibility Act (HR 2534) would cut \$800 billion in corporate welfare subsidies. Another law (HR 620) would prohibit corporations from deducting excessive CEO salaries from taxes.

This question rises again because economic power is again so badly distributed (U.S. top 1% control 40% of national wealth) and pay scales are so extreme. While many richest Americans can be respected for their hard work and skill, CEOs of the nation's largest 500 companies now earn an average \$4.09 million. This is 183 times more than the average U.S. worker (compared with 12 times more in 1950), or 400 times more than a minimum wage worker. These days the CEO's prime talent seems to be cutting jobs and wages, hiring temps and automating. While the top income tax rate in 1961 was 91%, today it is only 39.6% (the lowest tax on the wealthiest among industrialized nations). Were corporations taxed at 1950 rates, the federal government would gain \$250 billion—more than the budget deficit. In 1951 lawyers earned 2.7 times the median wage; today they earn 7.5 times median. Last year, the ten richest health care executives held \$2.4 billion in stocks, while hospitals laid off nurses. The nation's highest paid college professor (at Cornell Medical) gets \$1,785,066.

At the same time, 40 million hard-working Americans live below the official poverty line (family of four below \$15,141), and another 40 million are below a more realistic definition of poverty. One in four American workers are employed in low-wage jobs (below \$14,000), and seven million need more than one job. Two parents working full time for minimum wage earn only \$20,600 pre-tax, making it tough to get further education or raise children well. Average real wages for private sector workers have declined 16% since 1973. And 2,000 good jobs are ended daily.

Drug sales have thus become the last and best-paid ghetto enterprise, feeding on the desperation that jails can't control. America's situation becomes explosive.

Would fair pay create a more balanced, dynamic society? Would there be more enterprise or less, were the top 10% of earners limited to "only" \$200,000, or would enterprise become dominated by people motivated by national benefit rather than greed? Would capitalism gracefully become more democratic, or would it decline? Would decentralized capitalism be less efficient, or more oriented to meet real needs? Would prices for luxury items go down to match available wages, or would money, better distributed, stimulate trading of basic goods among average people?

Should everyone be paid the same, in the spirit of HOURS? Let's assume that workers would need to charge different amounts in order to pay for different overhead: equipment and tools, office rent, loan repayments, taxes and insurance. Then should workers charge the same for personal hourly effort? Should our common humanity be compensated equally in the marketplace? Or should there be pay differences for physical or mental exertion, level of knowledge and responsibility, job pleasure, productivity, creativity, number of children, supply and demand?

If so who should be paid more? The plumber, the lawyer, the gardener, the babysitter? Whose work is really more valuable? And how much more valuable? These questions have been asked by many Ithacans especially since HOURS began to circulate. HOURS are usually paid at an HOUR per hour

for informal labor, but are regarded more like ten dollar bills by many professionals (who charge multiple HOURS per hour), and by most businesses. Some local farmers and small businesses pay less than One HOUR per hour, because they earn so little themselves.

We asked some HOUR earners what they thought of everyone being paid an HOUR per hour, or agreeing to a maximum wage. What kind of society would this be? Would it be better? Would it be possible?

Greg is a cashier— "Pay equity is definitely a desirable goal, because big differences in pay have led to luxury and starvation. The work we each do is supposed to make our lives better physically and emotionally and if I'm doing something eight hours a day that makes your life better, then it's only fair that I be compensated in a way that improves my life. The problem isn't that someone has a bigger car or fancier computer than me— the problem is people need jobs they can survive on and raise a family on. And the other part of the problem is people who do the hardest work get paid the least: farmworkers, cashiers and cleaners. It's perverse that specialized skills are more highly rewarded than the basic work that keeps life going."

Jan owns a small business— "It's a good idea to have more pay equity, and not as much discrepancy, as between doctors and nurses who both do vital work. The 'menial' services are the backbone of keeping things running. It's not fair, they're undervalued— the lowliest job doesn't have glamor. Surgeons had to go to school and have debt and insurance that they need to cover, but the nurses aides and orderlies do the jobs that are paid horribly, and they carry the bulk of responsibility."

There definitely needs to be a shakeup, but it's hard for me to see practically how to establish equal pay, since this country was built on the free enterprise concept that you can change in your fortune by choosing to put more or less into what you're doing. This is great if it doesn't damage others. Tribal societies are more used to sharing, but that's not where we're at yet. More people nowadays share that social vision, but I'm hungry for hearing people speaking practically about how to get from here to there."

Bill is a lawyer— "Frankly I'm as outraged as anybody at some of the wages being paid. I have a hard time believing anybody's work is worth so much, and I'd like to see a ten times cap. Assuming that prices would go down, I'd be doing better with just five times the minimum, plus expenses."

Stratification of wealth creates hard feelings, resentment, envy and bitterness. Despite hard work by most people, there are accidents of fate that make some people wealthier. So the current system is not fair.

But we're fighting a cultural norm that says you're worth what you're paid, and the more pay the happier you'll be. People are always comparing themselves with others this way. At the same time, job satisfaction is a



HOUR = one hour basic labor

WHY IS THE AMERICAN PUBLIC SO CRANKY ABOUT THE ECONOMY THESE DAYS, ANYWAY? AFTER ALL, A MULTITUDE OF PUNDITS INSIST THAT THINGS ARE GREAT!



WELL, THIS IS JUST A CRAZY GUESS— BUT MAYBE THE PUBLIC HAS BEGUN TO SUSPECT THAT THE EXPERTS HAVE A VERY PECULIAR IDEA OF WHAT CONSTITUTES GOOD ECONOMIC NEWS...

—AND GIGANTIC STOCK SPARED TO-DAY AFTER 17,000 EMPLOYEES WERE... AN--DOWN SIZED! INVESTORS MADE A BUNDLE!



OR PERHAPS THIS SENSE OF UNEASE CAN BE TRACED TO THE FACT THAT MANUFACTURING JOBS ARE DISAPPEARING OVERSEAS AT RECORD RATES... OR THAT THE NATION'S LARGEST EMPLOYER IS NOW A TEMP AGENCY...



continued on next page



# Fair Pay Forum (from cover)

very important factor. And the term 'professional' is slippery—it could apply to anyone. For example I need food but I don't grow food very well.

Enforcing equal pay nationally would be resisted, but if each company established a maximum wage, then equity could expand, as these companies proved themselves more competitive. And if medical students were paid for studying medicine, rather than going into debt, then the cost of medical care could come down."

**Joe owns a small business—** "Today the harder you work the less you're paid. Backbreaking work like ditch digging is often paid less than work in air-conditioned offices. But all jobs in society are necessary regardless how weirdly pay is being distributed. We need a whole new economy that's not based on production for profit but production for need.

I'm also very fond of the maximum wage being ten times the minimum. There's no need for an income gap wider than that. We can reward inventors and the hardest workers to that extent, but shouldn't reward greed."

**Melja is a massage therapist—** "It's reasonable that everyone should earn the same living. Everyone's labor is worth more than the minimum wage. But right now I wouldn't provide a massage for the same basic pay, because it takes more physical effort and mental focus, and I can't do massages eight hours per day. But if everyone were working four hours daily, I'd be able to make the average income.



And if massage therapy were covered by government or insurance, it would be easier to direct my service toward the greatest need rather than the greatest ability to pay.

"If we were all paid One HOUR per hour, a lot of stuff would not get done, but that could be good. People might come together as a group to decide what was really important to do."

**Sara grows organic food—** "We farmworkers are doctors by making good preventive food medicine. There's a misunderstanding of the kind of physical effort and knowledge it takes to make food, and the work and product are undervalued by comparison with office work. We should look more closely at all jobs and ask which are really more important. Lawyers or farmers, for example. Organic farmers do more than produce healthy food—we preserve scenic landscape, which has a greater social and environmental value.

There's a certain level of pay which is enough for real comfort needs, beyond which we're disconnected from the environment."

**Mike is a carpenter—** "With equal pay, people would do what they naturally want to do. They'd be doctors because they like to heal, rather than just to get rich. Recently I was hired to rebuild a playground with this other guy. We got paid the same, so we trusted each other and took criticism

from each other in a good spirit. If we'd been paid differently it would have created unnecessary social tensions. I've seen one person do ten times more work in an hour than the next person. You have to consider different human capacities, but there's a trade-off between maximizing production or maximizing social cohesion."

**Tommie is an electrician—** "I charge the cost of my expenses plus the hourly wage of the person I'm working for, including their benefits. I talk with people about what's fair pay. Equal pay is a desirable social goal. It would facilitate a more harmonious society. The least desirable work would get done with less resentment because these workers would no longer be at the bottom of the economic heap. We wouldn't have such poverty and the social problems poverty causes. When people don't have enough they feel despair that they'll never get anywhere, so they'll take chances to get wealth in ways that are harmful to society.



The rich are paid obscenely, with no relation to overhead. My orthopedist gets paid up to \$15,000 per day for two operations, and that has nothing to do with repaying education and insurance. A couple doctors at the hospital have told me their pay is ridiculously high, but that they'll accept it if that's what's offered. If pay were equitable you'd have more people going into medicine who were not simply monetarily motivated.

I had a doctor friend who had a clinic who paid everybody in his office the same as he got, assistants and receptionists. Other doctors gave him grief about it."

**Melissa is studying midwifery—** "Ultimately in a fair society child care and car repair would be equally valued, monetarily and socially. If labor is wholehearted and good quality, then it should be equally valued. I'm a *Star Trek* fan and have often heard them say, 'We live in a culture now where we don't have hunger, poverty or disease, so now we can peacefully explore the Galaxy.' I think it's worth investing in that kind of dream."

**Ed is a home builder—** "I have a dentist friend who runs a mobile clinic, a converted bus, in the Adirondacks, on an annual \$45,000 grant from New York state. He treats everyone at cost. He thinks all medicine should be socialized and everyone should have equal access to health care."

**Chickie manages a dentist's office—** "This country runs on greed. No matter how much some people make they're never satisfied. They constantly have to buy things—it's like a disease. They're lonely in a crowded room— money and clocks drive them. We should instead develop the satisfaction of helping others."

**Joe is a musician—** "The HOUR system has an egalitarian philosophical intent with a built-in attitude of non-gouging, but nothing is equal. Once you start measuring life according to dollars, you miss the point. I work hard to be the best I can be—I've practiced flute an estimated 20,000 hours— and

although I'll never get fully repaid for that time, I wouldn't trade my years in music for any other work. On the other hand, there's a difference between getting paid extra for honest hard work, and using military and political muscle to get unfair advantage."

**Tricia is a nurse and massage therapist—** "An HOUR per hour would be fine as long as I can meet my needs and pay rent. Expenses would go down because prices would have to go down. It would probably eliminate poverty and eliminate greed as the major motivation for becoming a doctor. It would change our way of life, eliminating the class system."

**David is a woodworker—** "Equal pay sounds good to me. Too many people get hooked into competition. It would be better for everybody if people helped each other. I'd be willing to pay less to the dentist and more to the yard worker. There are CEOs getting \$2,000 per hour and they're hostile to the environment. There are plenty of people who'd do the job for just \$200 per hour who'd be more concerned about the environment."

**Judith is a teacher—** "I think equal pay is a good idea, but it would have to be adjusted to make sure that people are able to take care of their needs: young healthy singles with no dependents have lower overhead than couples 35 years old with kids. They have different expenses because the government doesn't pick up the social costs of food, health care, education, transportation, housing. If these were paid by government rather than by wages, then the costs would be spread across society, by taxing the rich.

"Equal wages would force people to look at whether their work was really satisfying, rather than working just for high pay. And we'd need to calculate equal pay to include stock options."



**Bill is a craftsman—** "With equal pay people would be less greedy. It would make people more independent and resourceful. More equal, but people will always compare their work with others. I think we can get there but there'll be a lot of resistance. Already, most of the Middle Class are spending most of their time on food, shelter and fuel. When there's a ground floor on availability of basics, then we can talk about culture and arts, and open up to these and to a politics of participation.

"If everyone were liberated from the frustrations of regular work, then we could focus on these problems. We wouldn't need to struggle so much, we could de-construct the social service system and re-create education. We'd have the psychic and financial room to talk about cooperation and race relations. We'd grow more local food, see less profit taking, more profit sharing."

**Tim is a typesetter—** "An HOUR per hour is desirable in the sense that being paid more is just a way to have more control of resources, and that means control of the direction of society. A society where we have an equal stake is one where we're more likely to cooperate, where decisions are made

democratically, in the best interests of everybody. We need to challenge the assumption that the rich will use their greater resources for the general good. It's also likely we'd all be much richer because with the super-rich there's more wasted wealth.

"We need a maximum wage. There are a few people owning too much wealth, with the rest of us out to wash. Lots of income is not through work but through investments. Investors risk only their surplus, not their own survival. There are many liberals who see benefit to the minimum wage, but no benefit to the maximum wage.



"The whole situation, with some paid more than others for work is older than Jesus. I've been reading about how egalitarian societies became hierarchical. How some convinced others that only they have special magical abilities— to make rain fall, chase away enemies, connect to God, heal your leg. For me the issue is to provide these services in more democratic ways and to debunk professional status.

"There's always going to need to be incentives to do less desirable jobs like cleaning toilets. Why aren't they getting a doctor's salary? Garbage collectors should get more than any professional. Because of HOURS, I've been able to ask \$10.00 per hour for snow shoveling because that's the value of an HOUR. With that precedent, a collegietown landlord pays me \$10.00.

"More importantly, Americans need to redefine what work we do to be valuable persons, often regardless of money. That can be done, not just with cultural messages, but by depending on each other more and feeling more responsible to the neighbors and others with whom we have relations. Incentives would be in terms of importance and worth in the community and the respect of the people who we value.

"Even equalizing U.S. wages would leave us a higher standard than the rest of the world, with us extracting their resources. So we'd need a slow global process of accepting HOURS as the world's money standard."

## What do YOU think?



# Related Trading Systems

The next several pages introduce swapping, store notes, and community computer-based trading.

## Bartering in a world of low pay and scarce dollars

Our trading skills get more important as state and federal policies (made by lobbyists) shift to reward the wealthy (with contracts, special tax breaks, anti-union legislation, global market deregulation) and punish the poor (with low minimum wage, competition for low wages, tax hikes, reducing or cutting off aid to children).

Both Republicans and Democrats, to different degrees, have made the middle class and poor fight with each other for a small piece of the federal pie. Most federal money trickles up rather than down, as interest payments to banks who bought Treasury Bonds, as bailouts to failed banks, as contracts for weapons nobody needs, for excess highway and prison construction, and so on. Many large corporations pay little or no tax.

## Barter Fair at Cornell

The Cornell Greens sponsored a Barter Fair at Risley Hall, April 30. About 30 students heard from several experienced participants in the HOUR system, made trades, and discussed barter, local economics, and HOURS.

College students are graduating into an economy which has not enough jobs for their skills. That's why so many college grads are doing low-paid service work. Knowing how to barter, therefore, expands their work options and earning power, and should be part of college experience.

Students are welcome to earn and spend HOURS, even without being listed (see "Finding HOUR Work" in this issue). We ask that people expect to be in Ithaca at least a couple years before joining the list, and that they agree to keep their phone number current.

The Barter Fair was organized by Meredith Fowlie, Jessica Rubin and Lea Silverman. As their Barter Fair leaflet said, "Do not wait for policy makers to solve problems because they won't. Familiarize yourself with the problem, free your mind, and solve it yourself. Start small, deal with the problem on a local scale... Instead of trying to reform the system from within, the supporters of Ithaca HOURS created an entirely new one."

Thanks especially to HOUR participants Bill Altman of TENET Educational, David Elliott of GreenStar Co-op, Neil Oolie and Eileen Sundquist for their help.

If your organization would like to host a Barter Fair, call Ithaca Money at 273-8025, or ITHACAHOUR@aol.com.

## Another Way to Barter: Use This Promissory Note

Ithaca HOURS are barter notes for general transactions. The note printed below will make direct trades easier to record. You could make copies of this note, cut them out and even have them notarized when preferred.

### BARTER PROMISSORY NOTE

I.O.U. \_\_\_\_\_ hours of \_\_\_\_\_ work  
or equivalent Ithaca HOURS at \_\_\_\_\_ HOURS per hour.

Signed \_\_\_\_\_ Print Name \_\_\_\_\_

Date \_\_\_\_\_ Phone \_\_\_\_\_ Address \_\_\_\_\_

Transferred to \_\_\_\_\_ Date \_\_\_\_\_

Transferred to \_\_\_\_\_ Date \_\_\_\_\_

## Starting a Neighborhood Exchange

by Anne Slepian

The Neighborhood Exchange in my area has dramatically improved how I feel about my neighborhood, where I've lived for seven years. No longer faceless houses-- my block now feels full of potential friends! I thought it might help others get started if I wrote out step-by-step how I got the Exchange going. This doesn't need to be how you do it. I was just making it up as I went along, so you can, too. Each neighborhood is bound to be different.

1) I decided what area felt like "my neighborhood." For me it was two small streets and an apartment building. I strongly recommend starting small so it feels manageable-- you can always expand later.

2) I talked to a couple of neighbors I knew about the concept. They liked it! They were willing to add their names to my first flyer, so it didn't look like it was just me doing the project.

3) My husband and I took half an hour one Saturday, and put a flyer in each door. A neighbor flyered the apartment building. No one called from reading the flyer, but it made talking to people later much easier.

4) I went to three houses where I knew people (slightly), and helped each person figure out a few things they could offer the exchange and a few things they wanted. It was energizing to get a good list of items right away, and to start where it was less scary.

5) A week or two after putting around the flyer, I knocked on doors for a few hours over the weekend. Here's a typical encounter:

"Hi! My name's Anne. I live down the street, and I'm helping organize the Neighborhood Exchange. Do you have a minute?"

"Sure! Yeah, I saw that notice about the exchange. I thought it was a great idea. I wasn't quite clear how it works, though. Why don't you come in?" (it was freezing out)

I explained briefly how it would work-- no obligation, no credit system, just a way to know what people want to offer and receive, a way to get to know people.

"I just don't know what I could offer. I don't do anything special."

I ask them what kind of work they do.. what interests or hobbies they have... I took clues from what I saw, like if there was a guitar in the room, I asked if they play, could they offer lessons, would they like other people to jam with... [You could show them the Ithaca Money list]

(Looking at the list) "Hmmm, childcare. I could do that! And advising people on what computer to buy-- I just had to do that for my office."

If someone offered something they do for a living, I would double check they wanted to put it on the exchange list. "Aren't you tired of doing that, since you do it all day?"

After we figured out at least one thing they could offer (some came up with many!) I'd ask "Now what's something you're needing, that maybe a neighbor could do?" This was often harder. Again, looking through the list might help. I tried to get at least one thing offered and one thing wanted.

"Well this is great. I'm really glad you're putting it together. I've lived here three years and I hardly know anyone on my street. What happens now?"

"I'll be collecting items for another week or two, and then I'll put them together and bring you a copy. Then you can start calling people!" (Actually, I forgot to write down where people lived, so I ended up calling people and asking them to pick up their copy from my front porch.)

That's it! With each household, I spent anywhere from two minutes, to half an hour with tea and cookies. It was scary getting started but great fun once I did it! A few people weren't interested. After making sure it wasn't just that they didn't know what to offer, I'd say, "That's fine. We'll keep you posted about it in case you want to join down the road." No one was unfriendly. I would have done more, (I reached less than half the houses on those streets) but it was too cold out, and I felt I had enough to put out the first list. (Don't do any more work than you feel like doing!)

6) I typed up the lists on my computer (I used Wordperfect 5/1 on an IBM-style machine, which puts them in alphabetical order), broke up the lists in random places so they were easier to read, glued on some pictures, and brought it to the local photocopy store. I made one copy for each household that joined, plus about 10 extras to show friends and family.

So far, it has taken about \$20 (for 150 flyers and about 40 copies of the list) and about 12 hours of work/play. The ball is rolling. Several people have made small donations, someone has already volunteered to type up the next list, and swaps are happening.

For more info, \$2.00 to Anne Slepian at 21 Linwood St. Arlington, MA. 02174



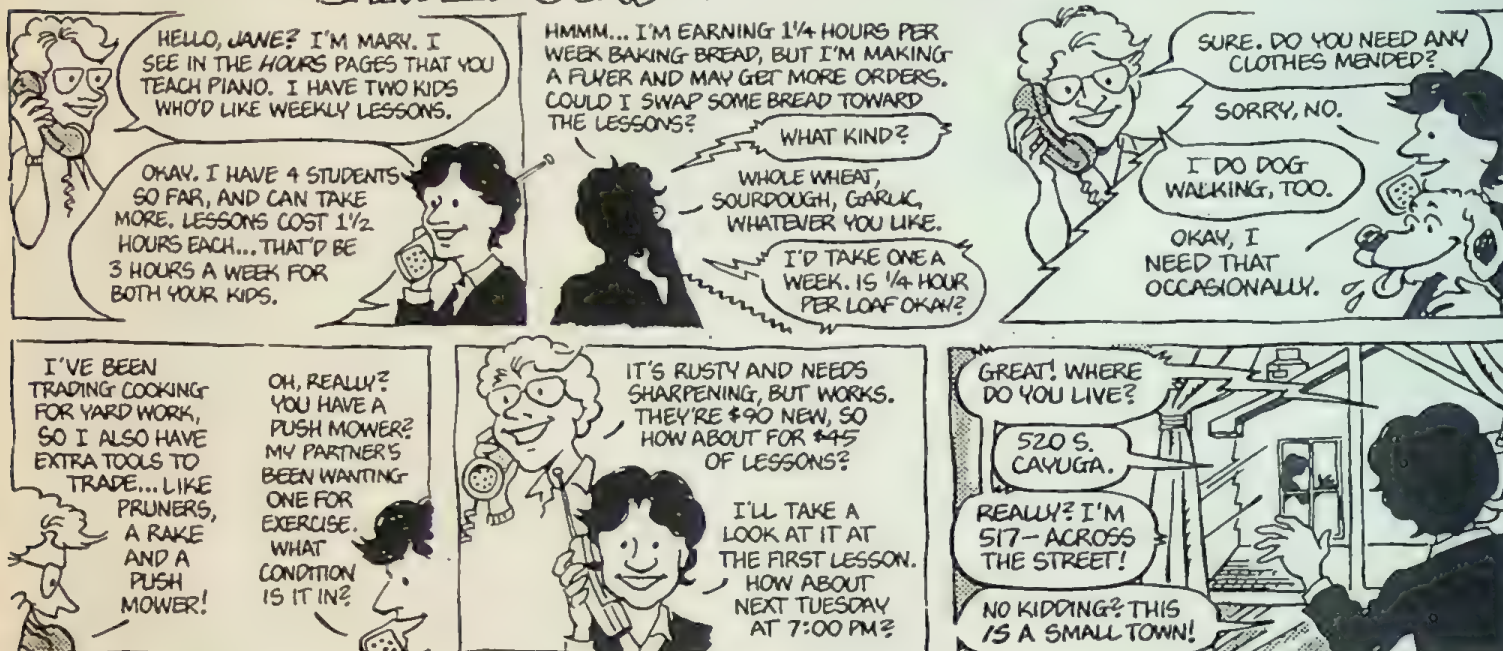
# Get What You Need Without Dollars

Somewhere in Ithaca someone has what you want today, and they're willing to trade it to you for something you have or can do. Lots of local people already trade for much of what they need. They get medical and dental care, child care, fresh food, housing, clothes, recreation, house painting and repair without dollars. They live well, by paying time or goods instead. And they make new friends while doing so.

**Ithaca Money** is more than a list of what you can buy with HOURS, it's a portrait of our community's talent. And there are thousands more things that could be on this list. Whatever you can do can be advertised here.

Even when your own skills are not impressive to you, there are people eager for your help. Things that are simple for you to do can be hard for others to get. For example, do you enjoy being a grandparent? There are plenty of kids who need your time, who'd count your time worth gold (or at least home-baked pies). Can you help with homework? Even basic know-how is a good contribution. Do you have an unused garden space? Somebody wants it, and can pay you food, or lawnmowing. Did you live in a foreign country or distant city? You can explain how to get around. Did you kick a bad habit? That's experience valuable to many of us. Do you know how to plant seeds, wash dishes, make preserves or sew? Write down your hobbies, your experiences, your equipment, tools, ambitions and interests. Remember, all over Ithaca people are trading anything you can imagine.

## BARTERTOONS BY HOUGHTON 'N' GLOVER



## BARTERTOONS BY HOUGHTON 'N' GLOVER



Finding trading partners is easier with the *Ithaca Money* list. Most of the people who list here have at least a little swapping experience and are willing to consider your suggestions. Can you imagine most people in Ithaca listed in our Skills Phone Book? It would become easier for us to meet all our basic needs, to make new acquaintances and have fun. The more people listed in *Ithaca Money*, the better our chances of making good trades. Call these folks up and find out if you have something they need. Introduce yourself to participating businesses, let them know you're ready to help, and that you accept HOURS, too. We've already seen some of these connections develop into regular jobs; or become apprenticeships that produce recommendations that lead to jobs.

Through *Ithaca Money* you can arrange direct swaps, and include HOURS (and even dollars) to make your deals. Everyone is welcome to be listed by sending in the coupon on the back page. If you offer something that's not already listed, or something from the list to the right of that coupon, then you are paid two Ithaca HOURS.

**HOURS** are barter money that have circulated in the Ithaca area since 1991. They're worth one hour of labor, or \$10.00 each. Over 1,000 people and 200 businesses have used them. They add trading power to our community, and make barter easier. More than 250 participants have told their success stories in *Ithaca Money*.

Many of these people have said that HOURS personalize their exchanges. That means HOURS help satisfy our need to live in a friendlier world: the more people you have personal exchanges with, the more people you can trust and rely on. And we can't buy trusted friends or neighbors at the mall.



# Local Currencies Keep Massachusetts Community Going

By Michael Specter

*Washington Post Service*

GREAT BARRINGTON, Massachusetts — When the lease for his popular restaurant expired last year, Frank Tortoriello asked the nearest bank to lend him enough money to move across Main Street.

He was told to forget it. Dejected, but not alarmed, he turned to other banks in this close-knit Berkshire community. Same story.

People agreed that it was a shame, but in the midst of the depression sweeping the hills of western Massachusetts, few lenders could afford to be generous. So Mr. Tortoriello decided that, if banks would not give him the money he needed, he would print his own.

Almost overnight, the Berkshire Hills area had a new currency named after his restaurant, Deli Dollars, which Mr. Tortoriello sold to his customers to raise enough cash to renovate his new location. Each note sold for \$9 and could buy \$10 worth of food, as long as customers waited at least six months to redeem it. The notes were essentially a short-term loan to the seller.

"I put 500 notes on sale, and they went in a flash," Mr. Tortoriello said in his new establishment, still amazed at how well it worked. "Deli Dollars turned up all over town. It was astonishing."

What at first seemed a novelty quickly flowered into a community movement. Born of a strange blend of financial desperation, civic activism and Yankee ingenuity, a flood of alternative currency was unleashed throughout the Berkshires by businesses in need of loans. With the vacation industry moribund and bankers treating the region as if it were the Bermuda Triangle, many enterprises had nowhere else to turn.

Economists and federal officials are beginning to talk about the U.S. recession having hit bottom. Not in this state. In the first three months of 1991, Massachusetts reported record numbers of business failures.

According to U.S. Bankruptcy Court in Boston, more than 3,400 bankruptcies have been filed in the state since Jan. 1, nearly a 75 percent increase over the same period a year ago. In 1990, more than 10,000 businesses failed, nearly double the number for 1989. Unemployment increases have been staggering, with Massachusetts losing 147,000 jobs, or nearly 5 percent of its total, between March 1990 and March 1991.

"This is not a liberal time for us with loans," said Eugene Hannon, vice president of the Great Barrington Savings Bank and a Chamber of Commerce leader. "Things have just been slow. Vacation money has dried up. We have to be far more prudent than we would really like to be."

So there has never been a more fertile time to look for a new way to pay for things here. Suddenly, rather than finding Federal Reserve notes in every cash drawer, Great Barrington has become awash in Berkshire Farm Preserve Notes. Instead of "In God We Trust" they say "In Farms We Trust." Instead of the head of a president, they portray the head of a cabbage.

Dan and Martha Tawczynski of Taft Farm said they could not have survived last winter safely had they not sold \$5,000 worth of Berkshire Farm Notes. Donald and Ruth Ziegler, whose farm, the Corn Crib, was nearly wiped out by fire in 1989, said the same.

New restaurants such as Kintaro

in Great Barrington have issued currency to attract skittish customers. Several shops are considering the idea and so is a new goat-cheese farm. When Deli Dollars showed up everywhere from the bookstore to the collection plate at the First Congregational Church, whose pastor was a lunch regular at The Deli, residents got a surprisingly vivid lesson in the economics of trust.

"This is a low-cost way to finance a local business," said Susan Witt, a founder of Self Help Association for a Regional Economy, or SHARE, and a key force behind the idea of floating local currency in the Berkshires.

"These days, a lot of banks won't touch some of these small loans," she said. "They just don't have the money to do it. But if the community is committed to a place, it ought to be able to invest in its future by promising to shop there. The plan also helps us keep our money in our community."

Radical as it seems, the idea of

issuing local currency is hardly new. Not until 1913 did a central banking system arise out of the Federal Reserve Act. Americans have created local currencies based on everything from lumber to land. As long as a currency can be exchanged for U.S. dollars and transactions can be taxed, the federal government has no official restrictions on local scrip.

Taft Farm and the Corn Crib recently merged their currencies. Customers can purchase notes at either place and spend them at the other. At the end of the year, owners of the two farms determine which took in more scrip.

"Last year, out of more than \$8,000 of Farm Notes issued, the Corn Crib ended up with about \$70 more than their share," Ms. Witt said.

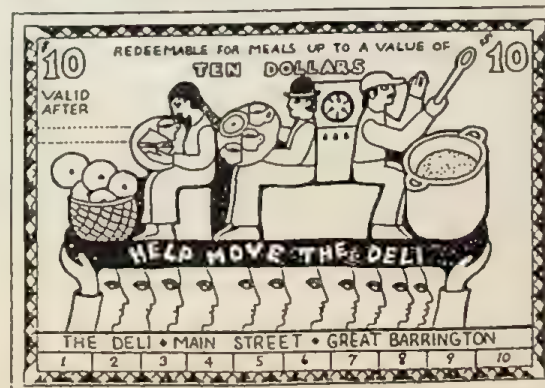
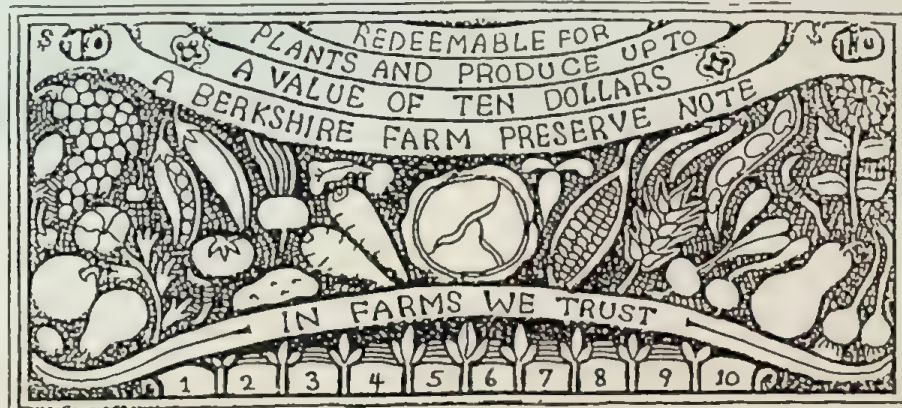
"I was hoping the Taft folks would figure out a way to deal with it that didn't involve dollars. In the end, I think, they asked for a winter's worth of potatoes. Nobody ever considered trading dollars."

*International Herald Tribune 5/21/91*



## E. F. Schumacher Society

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## Store Notes

like these have been initiated by the E.F.Schumacher Society to retain and promote local businesses.



The next is a computer credit system recording hours of non-professional services. Exchanges are not taxed. The system has been especially successful for senior volunteer systems, and can involve students, churches, neighborhood organizations and other social groups. The following is from the dust jacket of *Time Dollars*, by Edgar Cahn and Johnathan Rowe (Rodale Press, 1991), which includes a kit for establishing such a barter system:

# TIME DOLLARS

The New Currency That Enables  
Americans to Turn Their  
Hidden Resource—Time—into Personal  
Security & Community Renewal

Time is money. And this book is all about making that concept work for you and your community in a way that is new, yet rooted in tradition. With a new currency called Time Dollars, you simply deposit your time in a service bank. Then, later on, you withdraw what you need!

You earn credits (Time Dollars) by helping others in need. One hour of service (a ride to the market, yard work, minor home repairs) earns you a Time Dollar you can use to "buy" a service you need (sewing, babysitting, typing). A central station keeps track of all credits and contacts the service providers. It's a modern version of an ancient ethic: Help a neighbor who will eventually help you.

But the possibilities are much bigger than that. Imagine paying part of your medical bill with Time Dollars earned by fighting child abuse and infant mortality. That's happening in El Paso. Imagine paying part of your health insurance premiums by giving adult literacy classes or helping seniors in their homes. That's happening in Brooklyn, Miami, Washington, D.C., and elsewhere. Imagine paying for quality child care by being part of a drivers' pool for senior citizens evenings and weekends. That's happening in lots of places.

Or imagine teenagers doing yard work for seniors, and seniors staffing day care centers for working mothers, all for Time Dollars they can spend on what they need. Imagine the very poor and the elderly turning their unused time into a resource through Time Dollars. All this is happening, too.

This book explains how the things we used to do for one another have turned into things we have to buy. It introduces you to Time Dollar pioneers who are leading the way out of our resulting money bind. Dolores Galloway, for example, who started a Time Dollar network in her Washington, D.C., apartment building and shops for homebound seniors in her motorized wheelchair. And Anna Miyares who left an executive job as an international banker to become a banker of good works in Miami.

You will see how your local government can use Time Dollars to do what it lacks money to do: improve education and public safety, help the homeless, and much more.

This book provides step-by-step instructions for starting a Time Dollar network in your own community. It covers everything from planning the services and building and training a staff to generating civic interest and support. Anyone can do it.

No matter where you are on the social scale, Time Dollars can fit into your life and improve every day of it through new friends and opportunities, more and better services, and increased self-esteem.

The experts say there isn't money to meet our social needs. Now there's an answer. We can do it with Time Dollars.

## About the Authors

Edgar Cahn, Ph.D., J.D., is co-founder of the National Legal Services Program, a social activist, and a leader in the service credit movement. He teaches at the District of Columbia Law School and lives in Miami, Florida, and Washington, D.C. Jonathan Rowe is a writer for *The Christian Science Monitor*

On the next page is an introduction to the LETS system. These are computer credits recording trades of professional and non-professional goods and services. LETS systems (Local Exchange Trading Systems) publish lists of offers and requests. Large amounts of instant credit can be created by trade agreements. The system's annual computer tapes of all transactions may be sent to the IRS. LETS was invented by Michael Linton, who provides a kit, including computer programs. Write him also at [lcs@mars.ark.com](mailto:lcs@mars.ark.com)



# GREEN DOLLARS: Better than Bucks

by Paul Glover

**We're rich!** The Ithaca Community Self-Reliance Center has begun coordinating trade in Green Dollars. Your business and employment income, and shopping pleasure, are about to rise if you are any of these: an Ithacan with skills you enjoy but nobody pays you for, short of cash, underpaid, overqualified, needing funds to start or expand a business, needing more customers, owing half your life to the bank, disliking your job, laid off, on strike, unemployed, or just wanting to meet people and have some fun.

**Such problems have been solved** elsewhere by Green Dollars, the currency of the Local Exchange Trading System (LETSsystem). By the end of a meeting last month with system founder Michael Linton, 30 people agreed to pioneer LETS here.

**"Conventional money goes** where it makes the most profit: armament, crime, speculation, land development," says Linton, whose visit was sponsored by the Ithaca Alternatives Fund. Green Dollars, however, are "a gift passed around the community that comes back to employ you."

## LETSplay

**Here's how** you use Green Dollars. First, call the Self-Reliance Center and tell them the skills and goods you offer, and the services and items you need. They tell their computer; the computer prints a full community list of offers and requests. This catalog is published monthly. The Greenlist has more categories than a supermarket, the main ones being: time, labor, services, local produce and food production, local goods manufactured and repaired, shelter, land, accommodations, vehicles, buy, sell and trade, shows, sports, societies, events, and commerce.

**When you see something** you want, call the person offering it. Others will call for your help, too. Say you offer family counseling, carpentry, homemade jams and breads, four studded tires and an antique couch. You're looking for dental work, firewood and a weekly massage. Among the hundreds of listings (with 30 initial members there are already dozens in Ithaca's first catalog) you find a masseuse who relaxes your aching back. But you can't afford her every week, and the only thing you have that she wants is your excellent whole wheat bread. Since an hour of massage is worth more than a loaf a bread, you agree to pay \$5 in common federal dollars, one loaf of bread, and 20 Green Dollars. To record the transaction, you call the Self-Reliance Center and tell the answering machine to credit 20 Green Dollars to the masseuse (her name and LETS number) and take 20 Green Dollars from your own total.

**Where did you get** the Green dollars? Not from a printing press or bank. Green dollars come from your willingness to make the same kind of deal with somebody who needs your carpentry, tires or couch. And the masseuse has your Green Dollars to spend elsewhere for what she needs. LETS traders are the bank. You're authorized to trade Green Dollars when you join the LETSsystem. Every month the Self-Reliance Center mails you a computer print-out of your transactions and total Green balance. So it goes: endless creative shopping, until the Ithaca glacier returns.

## More Good Reasons

Linton has started LETSsystems in Boston, Toronto, Ottawa, Tucson, Los Angeles, San Diego, Vancouver and a dozen other cities. "In Vancouver we were frustrated having to find cash so we decided to have your own money," he says. He wrote the computer program which keeps everything tidy, with the intention of creating "money which was free - could not be monopolized, was stable, non-inflationary, safe, convenient, dignified and fun."

**His theme** at the Self-Reliance Center meetings was this: Whereas federal currency chains Ithaca's well-being to federal banking and investment policies, Green Dollars insulate us from recession by boosting local interdependence. Federal dollars are papers backed by insufficient gold. Green Dollars are directly backed by real goods and services. Therefore, when somebody owing federal dollars goes bankrupt, the debtors lose. But if a Green Dollar debtor leaves Ithaca the whole LETS community takes the slack, and no harm is done.

**"Economics is what we do** and how we score it," Linton says. "The LETSsystem is simply part of the evolution of money from grains to beads to gold to paper to magnetic computer patterns."

**Bill Stearns, a computer analyst** whose hardware registers Ithaca LETS trades, agrees with Linton. "The power of computers has only recently become available to the general public," he says. "It has long been a tool of big businesses for their purposes, sometimes used against people. I'd like to see LETS allow people to work who are not currently working, and others get what they need without taking loans and paying interest, and bring us together on a one-to-one basis."

**Marian Mollin, director** of the Ithaca Community Self-Reliance Center, says the Center started the LETSsystem here "because community self-reliance means the community depending on itself, creating its own fuel, food, and economic system."

**"Ithaca is the ideal place** to do this," she says. "There are lots of overqualified, underpaid, people, with more skills than money. We already have a fairly large alternatives community, with a lot of networks like Greenstar, the Alternatives Federal Credit Union and other cooperative businesses."

**Greenstar's finance manager**, Art Godin, is one of several co-op workers who have helped organize LETS locally. The Ithaca store relies on member-workers more than most food co-ops, and Godin sees LETS as a possible way to strengthen participation.

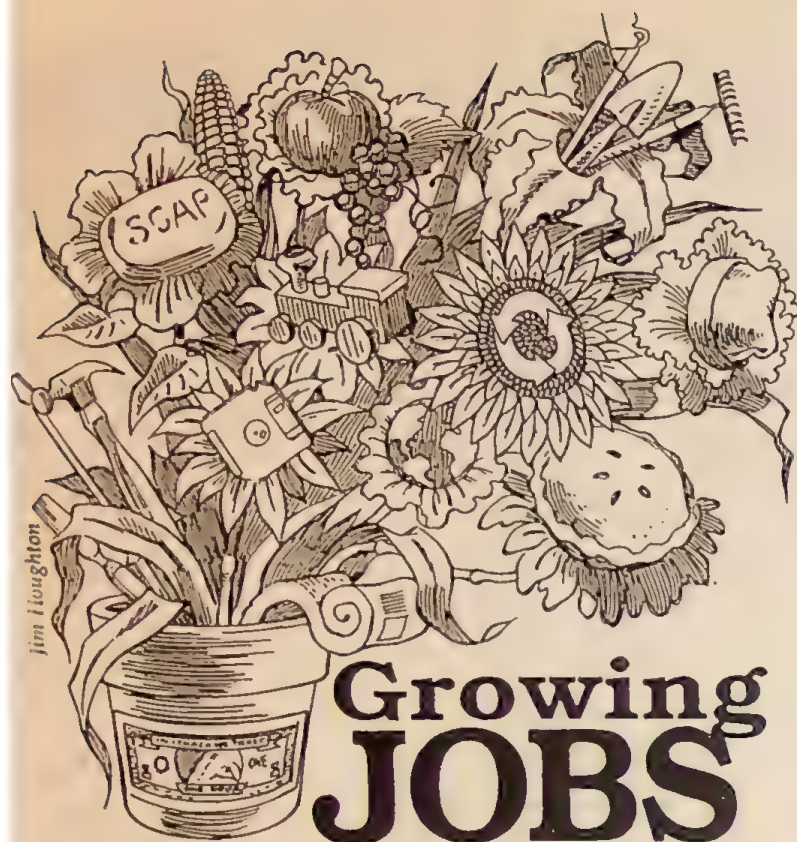
**Any business, in fact**, may enjoy more customers by accepting Green Dollars as part of their percent markup. Richard Tripp, a real estate agent intends to rehab properties using labor of prospective tenants who would then pay rent partly in Green Dollars. Applying that rent to purchase of the home will "give land back to users, rather than landlords," he says.

**A ten-dollar yearly fee** to the Self-Reliance Center covers costs of computer time and monthly LETS mailings, and includes Center membership, which delivers the monthly newsletter *Sprouts!*, offers access to meeting space and free workshops.

**For more information**, write or email Michael Linton, 1660 Embleton Cr., Courtenay, BC, V9N 6N8 CANADA. Very much like Ithaca's trees mint gold, orange and red, the LETSsystem begins to create local wealth, and a sense of community, that (conventional) money can't buy.

*Glover was co-founder of Ithaca LETS (1986-88).*





# Growing JOBS

## Grassroots Economic Development

by Paul Glover

Corporate media have hardly noticed, but the United States' economy is being rebuilt by thousands of creative grassroots initiatives, at the same time that U.S. industrial jobs are being lost to globalization. Even as poverty increases, thousands of practical programs are proving people can rebuild damaged local economies from the ground up—making them better than before. Thousands of jobs are being invented by citizens dedicated to ecology and social justice. How? They are creating wealth locally, and producing what they need.

Imagine if the billions of hours yearly of paid labor that Americans perform were dedicated to making our lives easier, rather than to enriching banks, utilities, landlords, agribusiness, insurance companies, chain stores, oil companies and government. We'd be living instead in homes that need little fuel for heating and air conditioning, homes that we'd own securely by ourselves or as land trust partners. We'd be transported in vehicles that need little fuel—by rail especially. We'd eat far more food grown without pesticides. We'd be responsible trustees of the natural resources of our regions. And we'd be trading money created locally for our use—money that stays home to help us hire each other and which is available without interest charges. Our time and money would be used to make our neighborhoods friendly and beautiful.

This kind of job creation is called community economics. Capitalism, by contrast, says that jobs come from investors and bankers. And socialism says that jobs come from politicians and bureaucrats. They both say that they are the only ones with the money, authority and knowledge to create jobs. But good jobs are now coming from average people who work, who raise children, and who depend on the health of communities.

### Here's Where Local Wealth Comes From

Regions make themselves rich and powerful primarily by recycling their existing wealth, to magnify it. That means retaining the talents, skills, and money of local

people in the community as much as possible, while connecting the community to take care of itself to the maximum extent practical.

Even many local governments are catching on to better kinds of job development. They've quit chasing heavy industry, venture capital, and franchises. St. Paul, Minnesota, for example, has a Homegrown Economy Project. Eugene, Oregon hosts the Buy Oregon project, which finds local contractors to bid for regional manufacturing subcontracts. In Littleton, Colorado, the director of business/industrial affairs, Christian Gibbons, says "our New Economy Project creates economic development from the inside. Research shows that 90% of new jobs are created by local business." Working with existing businesses returns "the biggest bang for the buck." The federal study "Local Economic Development Tools" agrees, concluding that expansion of local firms through import replacement programs can generate ten times more jobs than imported capital.

### Here are some of the ways this is done:

- **Community Development Credit Unions** (member-owned banks that invest most deposits back to the neighborhoods from where money came)
- **Community Foundations** (making grants to local groups)
- **Community Reinvestment Agencies** (groups making sure local banks invest locally, without racial bias)
- **Farmer's Markets** (local farmers and craftspeople selling directly to local people)
- **Farmland Retention** (groups which advocate public policy that promotes local farming)
- **Land Trusts** (groups purchasing local land to protect it, usually from suburbanization, and which buy housing to remove it from the profit system)
- **Industrial Retention Initiatives** (carrot-and-stick programs to keep industry local)
- **Peer Review Loan Funds** (small loans guaranteed by peer pressure of small groups)
- **Revolving Loan Funds** (money available for specified purposes when prior loan is repaid)
- **Community Development Corporations** (citizen groups with power of government, to initiate programs for business, housing, transit, etc.)
- **Local Business Incubators** (building and equipment shared by small new businesses to reduce start-up costs)
- **Socially Responsible Investing** (buying stocks and bonds according to their environmental and/or social effects)
- **Military-to-Domestic Conversions** (retrofitting vacated military bases or weapons factories for non-military jobs and production)
- **Buy-Local Campaigns** (promoting social and economic benefits of shopping for locally-produced goods, at locally-owned stores)
- **Barter Posts** (storefronts which enable public to trade without cash)
- **Food and Fuel Co-ops** (bulk buying of food, fuels, and insulation by neighbors, to reduce unit costs and gain policy leverage)
- **Worker Ownership Networks** (support services for conversion of business ownership to employees)
- **Import Replacement Programs** (connecting regional businesses and individuals to supply each other, rather than depending on imports)
- **Local Pension Funds** (locally-originated and controlled pension funds, much of whose capital is dedicated to local investment)



- **Local Currencies** (local paper money which adds to local money supply, raises minimum wage, promotes job creation, friendly trade, local business)
- **Local Insurance Companies** (locally-owned insurers which invest all premiums regionally)
- **Local Tax Credits** (reducing local fees on organic farms, solar and wind energy, realizing that tax reductions will be returned via high sales tax revenues)
- **Materials Re-use Centers** (disassembling and storing components of discards, for resale and re-manufacturing)

As local wealth increases through these programs, there is more money available for producing goods and services that feed the transition from dependence to strength. It's important to note that local and regional self-reliance do not isolate communities. They give them added capability to reach to each other, with ecological export industry and travel. The above examples, again, are among the hundreds of types of programs that give citizens genuine democratic power-- in the marketplace-- where it counts.

### Here Are a Few Examples of These Jobs

Virtually everything used in a locality can potentially be made locally, by small energy-efficient shops that use regional resources (including components of discards), and which control and recycle all emissions and byproducts. Specialty materials shops (such as foundries & sawmills) can be linked to each other and to micro-industrial assembly shops by Flexible Manufacturing Networks.

Even today, thousands of high-quality household goods are produced locally for internal markets, such as soaps, shoes, clothes, rugs, drapes, food, toys, and furniture. Communities are busy providing food & food processing, compost, garden tools, clothes, hats, gloves, shoes, wool & angora goods, plant fibers, recycled fibers, lamps, tools, forges, herbal medicines and healing. These are the basics.

There are thousands more products for which regional and national markets could be found, such as trolley components & cargo bikes, insulation, transit, compost toilets, cleaning supplies, scrap metal reprocessing. You name it; such products can be made and exported without waiting for external capital, and without further contaminating our environment.

As local production networks for such industries as these become more extensive, and as the increase in local wealth enables more of us to afford locally-produced durables and household goods, the unit price for local artisanry and manufacture gradually becomes competitive with mass-produced imports.

Locally-made goods are already competitively priced, when we calculate that buying local goods in locally-owned stores produces local jobs that save money by reducing unemployment's costs of social services, vandalism, drug use, violent crime, and jail.

Several related changes in local economies are needed to facilitate these transitions:

- **Large-scale employers would embrace job sharing** and flextime, and consider the benefits to themselves and society of six-hour days without reduced pay. Kellogg's thrived on this basis for 54 years. All employers would end racial bias in hiring and invest in workers as assets (even as friends) rather than as costs. Research shows that labor productivity and yearly business growth are highest in countries where income is most equal (Economist 11/5/94 p.21).

- **Government would gradually cease** providing welfare to large corporations, in the form of special tax breaks, bailouts and below-cost sale of raw materials.

- **Bankers would learn that small loans** are actually likelier to be fully and promptly repaid. Chicago's Southshore Bank and India's Grameen Bank have proven the superior safety of small loans to low-income people. This requires an end to racial bias in lending

- **Schools would teach all students how** to become powerful community managers and creators of jobs, as well as active union and co-op members, rather than obedient drones.

- **Planning departments would become** public resource & innovation centers, welcoming new ideas, serving the public, rather than developers.

Again, none of the above is exotic. They are national trends. Such processes promise measured improvement rather than continued decline. With these tools we'll be able to use our buying power to vote for better communities and set examples for the world.

We'll measure our worth as neighbors and citizens, rather than as consumers. Yet we'll own more of quality than before.

Best of all, we'd revive an American Dream-- to earn enough money from one job to raise a child, to feed and clothe ourselves well, and even relax. We'd have work that's creative and interesting. We'd have more than jobs and money. We'd enjoy life, by putting love at the center of commerce.

## Recommended Reading:

NEW MONEY FOR HEALTHY COMMUNITIES, by Tom Greco, 1994, \$15.95 + \$3.00 postage, from CIRC, Box 42663, Tucson, AZ. 85733. E-mail: 0005699074@MCIemail.com

RETHINKING OUR CENTRALIZED MONETARY SYSTEM: the Case for Local Currency, by Prof. Lewis Solomon (Praeger, 1996)

INTEREST AND INFLATION FREE MONEY: Creating an exchange medium that works for everybody and protects the earth, by Margrit Kennedy (New Society Publishers, 1995)

MAKING MONEY A MORE ACCURATE MEASURE OF VALUE, by Prof. Robert R. Blain, 1979, (\$3.00) Dept. S&SW, So. IL University, Edwardsville, IL. 62026

NON-MONEY: That "Other Money" You Didn't Know You Had, by Olaf Egeberg, McGee Street Foundation, Box 56756, Washington, DC. 20040. E-mail: oegeberg@capaccess.org

ECONOMICS AS IF THE EARTH REALLY MATTERED (1988), and INVESTED IN THE COMMON GOOD (1995) both by Susan Meeker-Lowry (New Society Publishers).

WHOLE LIFE ECONOMICS: Revaluing Daily Life, by Barbara Brandt (New Society Publishers, 1995)

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1992 Quarter HOUR	\$15.00	\$ 2.50	NA	6,399
1993 Half HOUR	\$20.00	\$ 5.00	NA	1,573
1993 Two HOUR (100% cattail paper)	\$80.00	\$30.00	NA	300
1993 One HOUR	\$30.00	\$12.00	NA	800
1994 Eighth HOUR	\$ 3.00	\$ 1.25	NA	3,000
1994 One HOUR (commemorative)	\$15.00	\$10.00	\$4.00	400
1994 One HOUR	\$12.00	\$10.00	\$2.00	1,100+
1995 Quarter HOUR (thermal ink)	\$ 3.00	\$ 2.50	NA	5,000+
1996 Half HOUR (100% hemp paper)	\$10.00	\$ 7.00	NA	1,000
1997 Eighth HOUR (thermal ink)	\$ 1.50	\$ 1.25	NA	3,000

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# About the Author

Paul Glover is author of several urban histories and many articles on urban planning. He was founder of Citizen Planners of Los Angeles. He has worked in advertising, journalism and barnyards. He holds a degree in City Management, rides his bicycle everywhere and in 1978 walked, entirely on foot, from Boston to San Diego.

He is inventor of Ithaca HOURS.



## Also by Paul Glover:



### ITHACA POWER

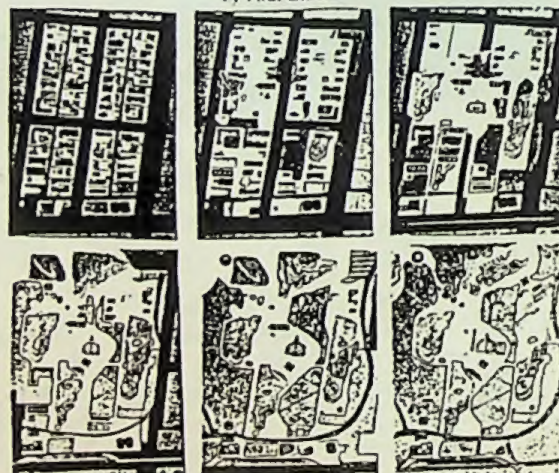
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